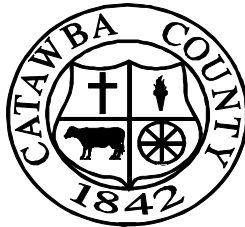


Catawba County Strategic Growth Plan



June 28, 1999

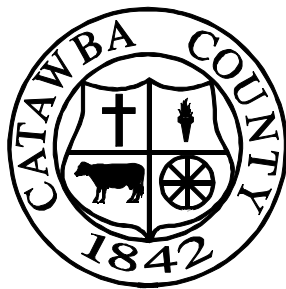


*Local Government Services
Planning, Community Development
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Growth Strategies Report



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PREFACE

This Growth Strategies Report contains an analysis of most of the alternative growth strategies that have been explored over the past six months among the staff at Benchmark, Incorporated, County staff and the County Planning Board. It includes only the strategies that were found to be the most likely to be effective and achievable and those that appear to address the most pressing growth related concerns. The process that has resulted in this Report and the preceding Current Conditions Report has not been completed in a vacuum. *(Note: the Current Conditions Report was developed to provide an overview of where Catawba County is currently positioned to address future growth-related issues.)* As described in the Current Conditions Report, numerous citizens, local leaders and County staff members were interviewed in preparation of these documents.

Furthermore, the Catawba County Planning Board spent more than six months reviewing the findings of the Current Conditions Report and developing the strategies included in this Report. Many of the strategies were eliminated by the Planning Board early in the process. Some strategies were broken apart and incorporated into certain strategies included herein. Others were refined and kept intact and are also included in this Report as one of the sixteen strategies endorsed by the Planning Board.

Early in the development of these reports, three basic approaches were examined: 1) doing nothing; 2) allowing growth to drive local decision making; or 3) being pro-active by making decisions that manage the growth. The first option was dismissed early on. The Planning Board struggled with certain facets of the second approach, especially as it related to various revenue options, growth boundaries and an Adequate Public Facilities Ordinance. In the end, after much debate and analysis, the third approach became the guiding principle in the thinking of the Planning Board. For the most part, this approach is the underlying theme of each of the sixteen strategies recommended in this Report.



OPPORTUNITIES AND CONSTRAINTS IDENTIFIED: A SUMMARY OF THE CURRENT CONDITIONS REPORT

The Current Conditions Report is a compilation of the very important data gathering portion of this The Strategic Growth Plan and has several purposes. As described in the preface, it is intended to provide an overview of where Catawba County is in terms of economics, education, population growth, fiscal strength and the provision of services. Specifically, the Current Conditions Report explores the current state of the following areas: 1) Population and Demographics; 2) Land Use & Development; 3) Transportation and Traffic Circulation; 4) Schools; 5) General Government Services; 6) Utilities; 7) Environmental Conditions; 8) Parks & Recreation and; 9) Economic Development.

It would be an ill-advised decision to pursue any of the recommended strategies included in this Growth Strategies Report without exploring, in reasonable detail, the growth-related problems and challenges that face Catawba County. This examination of these issues is exactly what makes up the Current Conditions Report. This summary is the first comprehensive ‘state of the County’ report since the late 1980s when the FORESIGHT Environmental Scan was prepared.

While all of the data included in the Current Conditions Report is important, there are certain findings and conclusions that are perhaps more significant than others. The following is a brief summary of those key findings and conclusions. It should not be used as a substitute for the details found in the full Report.

Fiscal Considerations

Conclusion: The County Government’s fiscal health is good but there are pressing demands that could threaten this position; especially if the County is denied its request for the institution of an additional one-cent local option sales tax.

- 1) The County typically carries a fund balance above what the Local Government Commission recommends as a minimum.
- 2) Nearly 50% of the County’s local expenditures go toward education and an additional 19% goes to human services; both are directly affected by new residential growth.
- 3) The County’s Capital Improvement Plan is fragmented and limited in scope and detail and too short to be effective in long range planning.
- 4) Catawba County’s property tax rate is one of the lowest in the State (ranked 79th).
- 5) The County receives a healthy 30% of its property taxes from non-residential sources.
- 6) A comparison of County department budgets between fiscal year 1994-1995 and fiscal year 1998-1999 revealed that there were 35 single-year departmental budget increases of more than five percent - twenty-three of which were at least partially attributed to growth.

Population and Demographics

Conclusion: Overall healthy population growth in Catawba County will continue over the next 20 years but not at the blistering pace of the past decade (and not among the same age groups and not in the same areas).

- 1) Catawba is the 9th most densely populated County in the State (320 persons per square mile).
- 2) Since 1990, Catawba County has grown at a slower rate (12.8%) than the 18.4% rate of the 12-county Charlotte Region but faster than some other counties. Commuting distance to Charlotte likely plays a role in this slower growth rate.
- 3) The County is aging. By 2020, nearly 18% of the population will be over age 65 (in 1990 the percentage was 11.9%).
- 4) Over the next ten years, unless the County experiences an unexpected and dramatic in-migration of young families like never before, the number of school-aged children will not mirror the previous ten years.
- 5) It is estimated that the Hispanic population increased 251% in the 1980s and 127% in the 1990s. Likewise the “other” populations category, which includes Asians, increased 277% and 46% during the same time frames.
- 6) One-third of all persons employed in Catawba County live elsewhere. The County’s in-commuter rate is ranked 3rd in N.C. with more than 36,000 workers coming into the County every day.
- 7) The County is as “wealthy” as the national average and will surpass the national average in the next 10 years (*Note: a wealth index includes factors such as investment and rental income*).
- 8) The County’s per capita income ((\$25,462 in 1998 dollars) is 10th in the State and second (to Mecklenburg) in the 12-county Charlotte Region.
- 9) In 1989, Catawba County had the lowest poverty rate (7.1%) in the State.
- 10) Catawba County ranks 6th in the State in Retail Sales per household.
- 11) The County has the 9th lowest school drop-out rate in the State.
- 12) 1995 SAT scores in Catawba County ranked 9th in the State.
- 13) The median single family home sales price in the Catawba Valley (Catawba, Caldwell and Alexander counties) in the 4th Quarter 1996 was \$103,190. The median price a year later was \$107,795 (a 4.5% increase). In 1998, the data was separated out by county, where the median price for Catawba County was \$125,900.
- 14) Over the next 10 years, the fastest growing parts of the County will be the Southeast (Sherrills Ford/Lake Norman - 11.96%), the North-Central (Clines Area, North of Conover, Rock Barn Road - 11.3%), the Northeast (Oxford - 8.59%) and the Southwest (mostly Mountain View - 8.35%).

Land Use and Development

Conclusion: The County is rapidly becoming more urban in character and as the municipalities grow

outward and together, pro-active planning and intergovernmental cooperation will be crucial.

- 1) The County Zoning and Subdivision Ordinances need to be reviewed and amended to prepare for the inevitable urbanization that is beginning to occur at a more rapid pace.
- 2) Permits for double- and multi-section manufactured homes are on the rise - single-wides are on the decline.
- 3) In 1997, more stick built homes were built than mobile homes were set-up - this marked the end to a long trend the other way. However, in 1998 that trend reversed itself again with more manufactured home permits being issued.

Transportation

Conclusion: Certain key transportation facilities are deficient in carrying capacity which, over time, could cause some problems in economic development efforts, and a decline in the quality of life.

- 1) Parts of Highway 127 are already over its practical capacity; Highway 10 will be over capacity in 2010; Parts of Highway 16 south near Highway 150 are already over capacity; Highway 150 is over its capacity; Funding is not programmed in the State's current Transportation Improvement Plan (TIP) for road construction improvements to any of these roads except Highway 16, which is slated to start construction in 2004.
- 2) The County has special legislation in place which allows for the purchase of rights-of-way for road projects.
- 3) Bicycle trail and sidewalk planning and construction are lacking outside of the MPOs Urban Area.
- 4) Catawba County is one of the most accident-prone and dangerous places to drive in the State. As traffic increases, more accidents will occur and more funding will be needed for transportation improvements.

Schools

Conclusion: The County School system is faced with significant facility deficiencies that will continue to be a challenge, even if school enrollment slows slightly over the next ten years. Even if a slowdown occurs, there will be isolated areas of continued explosive growth in school populations (e.g., Lake Norman, Mtn. View, Oxford).

- 1) Catawba County Schools' enrollment increased 496 students from 1997 to 1998. Hickory City Schools experienced a 108 student drop and Newton-Conover was nearly static (six student increase).
- 2) There is some debate over whether the County will experience the same growth in student populations. Projected growth in total county-wide school enrollment through 2005 ranges from 3% to 12% with virtually all being in the County System.

- 3) The County System's elementary schools are at 108.6 % of capacity as a whole with Balls Creek (144.3%) and Oxford (121.03%) being the most crowded; The middle schools are 104.6% of capacity with Catawba Middle having the only real capacity problem (140.8%); The High Schools are under capacity (97.26%) but Fred T. Ford is at 113.4% of capacity. (Note: the overcrowdedness at Balls Creek Elementary will soon be alleviated with a new school being constructed in this area)

General Government Services

Conclusion: Levels of service from Catawba County appear to be efficient and effective but there are growth-related demands on certain isolated services such as libraries and EMS service.

- 1) Catawba County, when compared to several other similar counties in fifteen key level of service indicators (e.g., average EMS response time; registered voting population per Board of Election employee), falls in line with no substantial differences.
- 2) Based upon a targeted three-mile service area, the Northeast portion of the County lacks sufficient library services and should be the library's highest capital project priority in the coming years.
- 3) Sherrills Ford has a Fire Insurance (ISO) rating of 9, near the bottom of the scale. For rural areas, a 9 is expected but in a high growth area like this, improvements are needed. The new waterline extension to Sherrills Ford Elementary should serve to improve fire protection in some, but not all, of this area.
- 4) The Catawba and Newton EMS Service Areas are too large - especially Catawba where some areas in the district (including Riverbend Park) are nearly 8 miles from the station (twice the target distance). Response time in the Catawba Service Area can be nearly 11 minutes (by comparison, the Hickory Base often has response times under 7 minutes - indicating that distance, not urbanization is the guiding factor in response times).
- 5) Catawba County ranked 20th in N.C. in major crimes committed per population. Considering the County was the 9th most densely populated county in the State, this figure appears to be a reasonably positive quality-of-life indicator.
- 6) The Newton Jail is well over capacity (33% at the time of this writing) and the Hickory Jail has been closed. However, the County's allotment to the Burke-Catawba District Confinement Facility has provided significant relief and will continue to do so for several more years.

Utilities

Conclusion: The County has solved significant potential environmental health problems with the participation in the municipal extension of water service to outlying areas of the County. However, these lines in place present unique challenges in managing growth and development.

- 1) Poor soils, coupled with compact development (for rural areas) in communities such as Balls

Creek, Sherrills Ford, Oxford, Mountain View are causing (or will soon be causing) environmental problems related to failing septic systems.

- 2) The extension of waterlines outside of the municipal limits may encourage leapfrog development and could facilitate significant lower end housing due to cheaper land costs coupled with permissive zoning regulations.
- 3) How to serve Sherrills Ford with sewer service will be a significant challenge for the County to address.

Environmental Conditions

Conclusion: The County has a very diverse inventory of natural, cultural and historical resources - all worth preserving. However, there are currently few regulations in place to ensure preservation.

- 1) The amount and acreage of farmland are rapidly declining in Catawba County; however, certain crops (barley, corn, hay and sorghum) still rank in the top third in N.C. in production.
- 2) The County has managed to maintain its overall tree cover over the past twenty years despite no policies to prevent clear-cutting or to avoid unnecessary deforestation.
- 3) Approximately 45,000 acres of land are included in the present use value program offered to active farmland. This acreage amounts to 17% of the County's total land area.

Parks and Recreation

Conclusion: The County's decision to provide a passive recreation park facility comes at a good time. As areas such as Oxford, Lake Norman and Mountain View continue to grow similarly to incorporated areas, demand for services such as conveniently located parks will increase.

- 1) Until recently, Catawba County has not operated any parks or had a recreation budget. Despite this - due in large part to available municipal services - Catawba County falls in the middle of the pack statewide when it comes to recreation levels of service.

Economic Development

Conclusion: Catawba County has seen a steady move away from an economy dominated by manufacturing and goods-producing to a more diverse economy including heavy growth in service-producing establishments (e.g., restaurants, banks, professional offices, retail stores).

- 1) Catawba's manufacturing workforce (as a percent of total workforce - 39%) is ranked 10th in the State. The County's farm, service sector and government employment are all ranked in the bottom 10 percent statewide in percent of all employees.
- 2) From 1986 to 1996, service producing employment has grown 39.6%.
- 3) By comparison, non-agriculture goods-producing employment has increased at a much slower rate - 5.8% from 1986-1996. Downward trends in apparel and textile employment have been

especially significant.

- 4) Despite continued heavy manufacturing employment, such jobs are decreasing - in exchange for retail, service and government jobs. This trend will continue.
- 5) Thirty percent of Catawba County's property tax base consists of non-residential land (mostly commercial and industrial). Maintaining this healthy 70-30 split should be a priority for the County.

APPLICABLE VISIONQUEST 2010 POLICIES

On October 21, 1996, the Catawba County Board of Commissioners adopted VisionQuest 2010: Catawba County's Comprehensive Plan. Contained within that document were a host of policies and action strategies for a wide range of issues, most of which have a link to growth and its effects on the County. However, there are several policies and actions that are specifically related to growth and growth management. They serve as a starting point for implementing most of the strategies and tools recommended in this Report. Significant public input was received in the development of VisionQuest 2010. Therefore the strategies in this Report are not covering new ground, but instead are improving and expanding on already adopted policies. These policies are listed below.

- Policy 1.5 “....provide for the orderly transition from rural to urban development around the municipalities.”
- Policy 1.7 “Avoid development patterns that would require an uneconomical extension of public facilities and services.”
- Policy 1.12 “Plan for growth in an orderly, compact fashion throughout the County that will minimize urban sprawl and ‘leap frog’ development.”
- Policy 1.13 “Identify County public services and improvements needed for a developing area and develop methods of planning for and allocating costs of such improvements.
- Policy 1.20 “Encourage development at appropriate major intersections.... (sometimes called “nodal development”) and discourage land use changes that lead to “strip” development patterns with multiple driveways.
- Policy 1.25 “....encourage the implementation of necessary urban design amenities which promote high quality neighborhoods, such as sidewalks, street tree planting, common recreation areas or open space and compatible uses at the edge of sites.”
- Policy 1.30 "Linear “stripping” of offices and retail establishments along thoroughfares shall be discouraged in favor of planned office parks or planned clusters of retail/office development with common access, parking, signage, etc.”
- Policy 1.31 “Office and institutional uses shall be located close to residential areas to encourage energy-efficient commuting without creating an undesirable encroachment.
- Policy 1.35 “Community commercial development should be located at intersections (or interchanges)

of existing major or minor arterials and thoroughfares and should be located close to other community facilities such as parks, recreation facilities, institutional uses and offices.”

- Policy 1.36 “Neighborhood commercial development should be located along collector streets and should be near other neighborhood facilities such as schools and parks, and integrated into the neighborhood design they are intended to serve.”
- Policy 1.49 “Encourage flexible site design to accommodate site-specific conditions such as floodplains, topography, and significantly forested areas.”
- Policy 1.54 “Encourage mixed use projects with innovative site plans that combine various residential densities, and where appropriate, neighborhood-serving non-residential uses.
- Policy 1.55 “Encourage innovative development possibilities through the use of incentives, such as density bonuses, to achieve desired residential and non-residential growth patterns.”
- Policy 1.57 “Maintain the unique identity and character of rural crossroad communities.”
- Policy 1.59 “Protect and preserve buildings, neighborhoods, or areas of historical, architectural or cultural significance.”
- Policy 1.60 “Encourage the preservation of the beauty and integrity of natural features such as trees, slopes, rivers, lakes, streams, mountain range views and active farmland.”
- Policy 1.61 “Encourage quality, usable open space, including floodplain areas, wooded areas, historic/cultural landscape elements and other green space.”
- Policy 1.62 “Protect and maintain the public economic, social and environmental benefits provided by a vital farming community. Continue to address the increased tax burdens on agricultural lands through property tax relief to farmers under the ‘Use Value’ legislation.”
- Policy 1.63 “When the conversion of farmland to other non-farm uses is inevitable, sensitive land development procedures for all new development - such as increased open space dedications, clustered development and shared driveway access - should be used.

Selected Actions related to Strategic Growth Planning:

Continued Planning Work Program including:

- Capital Improvements Program (identify and prioritize major infrastructure and community facility projects)
- Historic Preservation (ensure for linkages between land use and historic preservation)
- Special Studies (prepare detailed corridor, small area or district plans)

Zoning and Subdivision Ordinance changes:

- Use of clustering, density bonuses and transfer of development rights
- Encouragement of mixed uses
- Modification of residential zoning districts based upon their intended application

Growth Management Plan for Sherrills Ford/Lake Norman Area

STRATEGIES EXPLORED BUT NOT RECOMMENDED

Over the past several months, the Catawba County Planning Board, County Planning staff and Benchmark, Incorporated staff have explored a wide range of potential solutions and approaches to growth-related problems. Several simplistic tools fell by the wayside early on or were incorporated into another strategy. Others were debated for several months. The following are those major strategies that are *not being recommended at this time* but deserve some brief explanation. Some of these may be strategies that could be revived should changing conditions warrant.

1. *Establishing Growth Boundaries*

A powerful and tested tool to deal with sprawling development patterns is the establishment of growth boundaries. Through zoning, a County can limit intense and rapid development to areas in and around established urban areas (primarily municipalities). These ‘imaginary walls’ - of which has been implemented in Portland, Oregon - essentially require that all new development, except the largest of farms, be limited to an area closer to the urban area of a city (or several cities). In theory - and sometimes in practice - it would not be unusual to see heavy development on one side of the street and undisturbed open space on the other.

As land development techniques go, growth boundaries actually make the most sense. The premise seems simple: limit development to those urbanizing areas that already have adequate public services - when that land is used up, move to the next tier. However, in reality, strict growth boundaries *can* have major implications on property values (high value on the inside of the ‘wall’; low value on the outside).

Oregon, the only state with urban growth boundaries around all of its cities, facilitates development inside the boundaries. As a result, Portland is one of the nation’s healthiest cities. While Metro Portland’s population has grown by almost 50 percent since the greenline was imposed in 1975, the area has only consumed about 2 percent more land. Home prices are lower than other major West Coast cities and builders generally support the growth boundaries because there is less red tape and more flexible zoning within the designated growth areas.

A more realistic description of such a regulatory tool is to *discourage* development in undeveloped areas. This strategy would set up a development “tier system” designed to stage growth with the timing of municipal services.

The Planning Board discussed a type of boundary which would have followed the growth management boundaries (with some further definition) that have already been set and adopted as policy in the County’s Comprehensive Plan: VisionQuest 2010.

Like the boundaries in VisionQuest, new residential development would be encouraged in the Developed areas (as infill) and in the Transition areas. The Developed areas are primarily those within, or immediately adjacent to, the municipalities. The Transition areas are those where the land has access to municipal water service and (possibly sewer service) or such service is planned within 5 (preferably) to 10 years.

Unlike the VisionQuest boundaries, these boundaries described in this section would be administered more formally through several pro-active rezonings which would be similar (but on a much larger scale - and for different reasons) to the rezonings along the new US 321 Corridor. These rezonings would strongly discourage large scale land development (primarily subdivisions) outside of the Developed and Transition Areas described above. Achieving this objective would require a restructuring of the Zoning Ordinance to establish mechanisms for discouraging development by creating a Rural Conservation (RC) Zoning District. This District would require new lots to consist of a minimum of 5 to 25 acres, an impervious coverage maximum of 10 to 25% and a minimum of 100 to 300 feet of street frontage (actual dimensional requirements would be debated at a later date).

Unlike rigid growth boundaries, the “soft” boundaries as discussed by the Planning Board would be permitted to change over time with development pressures. However, the Planning Board and Board of Commissioners would evaluate rezoning requests to higher density districts with a critical eye. Through conditional Use Zoning, they will have the ability to say “no” to those developments not consistent with the policies of VisionQuest 2010, the strategies of this Report and other positions the County may take in the future regarding land use and development.

While better than unchecked development sprawling away from the cities, the growth boundary approach would still permit development through a rezoning procedure in areas that lack many basic municipal services. Like any growth boundary, this policy could be difficult for some property owners to accept because it restricts development in some rural areas but rewards property owners in others. Property values in the Transition and Developed areas could see significant increases over time. Property values in the Rural areas could become static because of the diminished short-term development potential. It was determined that this approach would be very effective in preserving rural character, but it would do less to provide increased development predictability for demands on such public functions as schools, EMS services and parks.

Some of the same concepts included in the growth boundary strategy have been altered and are included in the recommended strategies. However, the recommended approaches using certain components of growth boundaries do not carry with it the often negative connotation found in the actual term “growth boundaries.”

2. *Municipal Annexation*

Municipal annexation in North Carolina is perhaps the most permissive process in the Nation. There are no required voter approvals, legislative decisions or county permissions to obtain. Generally, the area must be of “urban character” as defined by the State Statutes (slightly over half “developed”). Services must be provided at the same level in the annexation area as they are provided in the city. The process can be completed in about a year and certain services must be provided immediately. For the most part, utility services must be in place in two years from the annexation date. County government has no legal role in the annexation process.

Although not agreed upon by many people, municipal annexation is typically the best, most cost efficient method for providing urban services like improved fire and police protection, utility services and garbage collection. As a growth management tool, annexation makes development more *predictable* and controlled by providing a growing area with urban services to help facilitate additional growth demands. While municipalities often serve unincorporated areas with limited services, only after annexation are major expenditures usually made.

Residents of annexation areas often do not wish to be brought into a city and pay higher taxes, despite enjoying the convenience of living close to - and often finding employment and entertainment within - a municipality. Nevertheless, political conflict is inevitable in most involuntary annexations.

Annexation is certainly the best way to insure that new development is occurring with urban services available to serve it. However, it is obviously a municipal decision and is best left out of this document as a recommendation.

3. *Municipal Incorporation*

North Carolina provides for relatively simple steps for incorporation. Typically only a few services are required to be provided by a new municipality (often street lighting and garbage collection). In North Carolina, the General Assembly grants a number of new incorporations every year.

Some of these incorporations are approved in efforts to establish a municipality located in a high growth area that needs the organizational and administrative structure to pursue the solution to problems such as lack of sewer and traffic or road maintenance problems not addressed by the N.C. Department of Transportation. A relatively affluent area like the Lake Norman/Sherrills Ford area could be a prime candidate for incorporation. With the closest municipality several miles away, providing municipal services like sewer collection services to this area is going to be a difficult, but necessary, task in the coming years. If done properly and with a grass roots effort, incorporation could be a realistic solution to this urbanizing area. However, without

significant support from its residents, good leadership and a proper planning in place, it could also create a scenario that makes service extensions more difficult, not less.

From a sound planning standpoint, incorporation is usually appropriate only when there is a real and documented need to provide a group of citizens and property owners with improved public services which cannot be provided by county government or by an existing municipality. These services may include utilities, road maintenance and significantly improved police and fire protection. Unfortunately many incorporations in North Carolina occur for reasons that have little to do with proper planning or the efficient provision of public services. These incorporations occur simply to avoid being annexed by an adjacent growing city or town. There are several examples of these ‘paper towns’ in the Unifour, but fortunately none exist in Catawba County.

Ultimately, because incorporation is a matter far too complicated and mostly out of the control of the County, no recommendation has been made on this matter. However, a citizen-based District Plan in the Sherrills Ford/Lake Norman area should explore this issue. Preparation of this type of plan is included in one of the recommended strategies included in this Report regarding small area planning (#12).

4. *Unified Government*

This is an approach to growth management in its most extreme form: consolidated city, town and County governments. It was determined that this process would not be likely now or any time soon. However, cooperative efforts on many other fronts can serve as growth management tools. For instance a joint planning and zoning commission and joint planning staffs would have a much easier time effectively regulating and controlling new growth than do nine different boards and staffs. A joint planning and zoning commission could look at the big picture and mesh the effects of growth on all services provided, not only municipal or county services alone. The County as a whole could benefit greatly from such an arrangement.

In reality, it is unlikely that each local government would be willing to give up its individual autonomy in making land use and growth-related decisions. The issue of equity and fairness in board makeup and specific procedures would also be difficult to address. This approach in its extreme form, presented here, is not recommended as part of this Report. However, other, more easily achievable, joint planning efforts are included in the recommended strategies (#3, #4 and #12).

5. *Granting ETJs in High Growth Areas*

The simplest approach for any board of commissioners in managing certain aspects of growth may seem to be to give the problem to someone else, namely a municipality. However, there are many components involved in growth management and granting extraterritorial zoning

jurisdiction (commonly called 'ETJs') to another local government can have pluses and minuses attached to it.

The municipalities are the primary *urban* service providers and are in the best position of determining the future demands that new growth will place on these services. However, a municipality may be less sensitive to the needs of the rapidly growing County School system and certain other County functions than would the County government. Furthermore, the Board of Commissioners have a long record in zoning and subdivision control aimed at encouraging proper, well-planned development patterns. Also, the Board of Commissioners have taken the position that citizens should be able to elect those that govern them and the current state laws allowing for ETJs do not facilitate such accountability. For all of these reasons, no new approach to this matter is recommended.

6. *Decreased Residential Density (Increasing Lot Sizes)*

This approach would create areas of the County where there would be Zoning requirements establishing larger minimum lot sizes thus reducing residential densities. When discussing this strategy with the Planning Board, the increase in lot sizes centered around changing the 20,000 square foot requirement to one acre lots. This type of lower density could result in fewer families, fewer children and less traffic. Septic system problems would certainly be reduced. On the surface, this approach seems to be the answer for slowing growth and preserving the rural nature of certain parts of the County. In reality, what it has proven in other areas of the country is that it *encourages* rather than discourages wide spread development beyond areas that growth might typically take place. With land costs cheaper in rural areas, a large lot requirement across the County would encourage growth there rather than closer to municipalities.

As a fiscal growth management tool, this approach is below average unless combined with other approaches (see recommended Strategy #1). As a resource conservation tool, this approach is also below average. For instance, assume ½ acre of a floodplain is included in a one acre lot to be sold. Once sold, that floodplain offers no public benefit and resource protection becomes limited and hard to achieve; however, if held in a resource conservation easement or dedicated to a public body, assurances are made to protect that floodplain. Even though the owner has less land, his or her real benefits are the same. Multiply this example by a 300 lot subdivision and it becomes clear that the public benefits of the common open space are improved dramatically.

The results of the large lot development pattern may also include higher site development costs (longer streets, utility lines), lower return on County or City water and/or sewer investments, higher ultimate land and home prices, premature loss of rural land and farmland and the premature loss of future economic development opportunities (using up more of the land with residential subdivisions).

The ultimate downside to larger lot sizes is one that is difficult to grasp for most people: the amount of our land is finite. There are essentially no second chances, especially with residential growth. Opportunities for redevelopment of land already developed as single family neighborhoods are rare, even within large cities.

The one, two or three acre lot in a conventional major subdivision will seem rural as long as the lot borders farm fields or wooded areas of neighboring properties. However, this is essentially ‘borrowed’ rural open space and is only temporary in nature. Once the farm fields or wooded areas on adjacent properties are developed in the same manner, the rural characteristics of the area will be lost forever.

The best approach for large lot zoning (to discourage sprawling development and to maximize resource conservation) is to require very large lots - 5, 10, 20 acres or more or to combine it with other approaches. After much discussion by the Planning Board, the latter is being recommended as part of Strategy #1.

7. Moratoriums

Moratoriums provide a short-term regulatory halt on new development approval (subdivisions, mobile home parks, etc.). It is almost typically used when it is evident that there is an eminent threat to the health, safety and welfare of the citizenry. Moratoriums are a generally accepted practice that is quick and easy to establish when properly defined motives are expressed. For at least a short time-frame, moratoriums can stop development completely with no concessions. They can be good alternatives while a community struggles with a detailed problem, waits for an upcoming bond referendum date or is in the middle of writing and processing Ordinance changes.

However, moratoriums are only band-aids to a larger problem. Without a long range plan of action, the moratorium serves little purpose. Legally, they should have a short life (for most issues one year or less). Sometimes moratoriums can actually speed up development when word gets around the development community that one is pending. Developers and builders will rush to obtain approval in order to “beat the deadline” thus creating the potential for very rapid growth in a short period of time, a situation that is contrary to what a moratorium is intended to do.

Moratoriums as a growth management tool are the most effective and the most appropriate when addressing a specific problem, not the larger growth management question. After reviewing the Current Conditions Report, it was determined that there was no situation that immediately (and with any specificity) threatened the health, safety and welfare of the public.

8. Impact Fees

Impact Fees are fees charged directly to new development (primarily new dwelling units in the case of schools, parks). They are designed to directly offset the capital costs that the development has “caused” or “impacted.” To calculate defensible fees, the following information is typically needed: a) well defined minimum facility standards, b) determinations of existing deficiencies, c) costs of facilities and revenue sources, d) allocation of costs to new development including the accounting of the percentage that the development pays toward the new facility.

This revenue source would directly link a specific expenditure (i.e., schools) with a specific revenue source (the fee). Therefore, in theory (and sometimes in practice), existing residents would not be subsidizing (to as great an extent) the demands on public services generated from new development. Assuming a \$4,000 school impact fee was placed on each residential building permit in Catawba County, the County would have received a total of \$5,040,000 for new school construction county-wide in 1997. Over the past five years, the \$4,000 impact fee would have generated \$25,200,000.

Because impact fees are typically linked to a limited and fluctuating revenue source (homebuilding) there would likely be limitations on using this revenue as a significant single source to retire debt.

It is possible that the impact fee could significantly slow development in the County if other surrounding counties do not adopt a similar process (of course, a slow down in development means a slow down in demands for services and facilities as well). This option typically would take at least a year to become a reality and generally requires permission from N.C. General Assembly, but does not necessarily require voter approval. However, in Catawba County, special legislation already exists that authorizes impact fees. Such a program could be implemented by action of the Board of Commissioners.

Unlike property taxes, fees are typically not deductible on Federal/State income tax. Some consider it a “tax” that unfairly singles out a particular segment of the population (usually real estate agents/brokers and home builders) for revenues.

To be legally defensible, there has to be a “rational nexus” - a tie-in between the revenues generated and the specific benefits to those paying the fee. This can sometimes be difficult to achieve and costly to administer. In the example above, the \$5,040,000 generated would need to be allocated by school districts or with some other rational connection between the new home and the school. Using the Oxford area as an example; in the entire northeast planning area (census tract 101) in 1997, 157 residential building permits were issued. This would have resulted in new revenues of \$780,000 and around \$3,925,000 over five years. This would not be enough revenue to construct a single new school but could supplement other revenue sources

in the construction of new facilities. In many cases, impact fees simply will not pay for new facilities without supplemental funding.

Impact fees paid by a developer bring with it the expectation by the developer that facilities paid for will be in place when needed. Of course the developer typically is paying for his or her “share” of the facility. As mentioned above, in most cases impact fees are only one of several revenue sources available to pay for new facilities. For instance, if a local government waited until there were enough impact fees collected for a new public park, it may never get built or at least not for some time. Instead the revenues from impact fees would be used with other funds to provide the facility.

Ultimately, impact fees in the \$1,000 to \$3,000 range may not produce a large enough revenue stream to make them worthwhile. However, a \$5,000 to \$8,000 fee might make more of a difference. The administrative and legal support required to make them work would be extremely high and would need to be explored in detail.

9. *Real Estate Transfer Taxes*

Real estate transfer taxes charge a percentage of all land transfers paid by the seller at time of the recordation of deeds. It would likely avert the need for immediate property tax increases should growth accelerate unexpectedly. Transfer taxes are paid only at a property closing so individual cash flow is typically more available than other types of taxes. Transfer taxes are considered more equitable than impact fees because many owners of existing homes and land-only owners are brought into the mix. Over time, these existing property owners have also contributed to the growth related challenges. However, the land transfer tax is certainly less equitable than property taxes.

Like other options requiring permission from NC General Assembly and likely voter approval, establishing this tax would take one to three years to become a reality. Like impact fees and an Adequate Public Facilities Ordinance, it is possible that the tax could significantly slow development in the County if other surrounding counties do not adopt a similar approach to growth management. However, as described previously, a slow down in development also means a slow down in demands for services and facilities.

For this document, efforts were made to estimate the amount of revenue a land transfer tax would generate. There was a limited amount of data available from the Catawba County Register of Deeds office to generate a highly accurate figure. However, by using revenue stamps - a \$2 fee per \$1,000 of value charged for recorded land documents - a reasonable estimate was prepared. This data indicated an estimated \$2.35 million would have been collected in FY 1997-98 from a one-percent land transfer tax. By comparison, in a recent year, Cabarrus County (growing at

nearly twice the rate as Catawba County) determined that a one percent land transfer tax would generate approximately \$4 million in that county.

Pursuing a land transfer tax is not being recommended at this time.

10. Local Option Income Tax

This tax would result in an additional percentage charge on the taxable income of County workers. It could replace the property tax or be a supplement. An advantage to such a tax would be similar to the sales tax in that it would spread the tax burden to non-property owning tax payers such as in-commuters, temporary residents, illegal immigrants and renters. To a great degree, the tax burden may be more equally distributed.

This new tax would take two to three years to become a reality because it would require permission from NC General Assembly and would likely need to have voter approval. No other local government in North Carolina has local income taxes although it is somewhat more common in other states. The taxes paid would not be part of taxable income for Federal/State income taxes. This tax could negatively affect employment and ultimately business success and other growth indicators may decline as well.

With the current political climate regarding the Federal government and income taxes in general, this option would be difficult to sell to the public and to the General Assembly. It is not recommended as viable alternative at this time.

11. Adequate Public Facilities Ordinance (APFO)

Similar to a points system of grading the impacts of new development, but far more complicated, an Adequate Public Facilities Ordinance is a local ordinance that sets a level of service standard for one or more growth-related facility needs (schools, roads, parks and recreation, utilities, police & fire protection, EMS Service, libraries, etc.). Once the level of service is established, new development that would directly cause the standard to be exceeded would be: 1) denied, 2) approved but delayed until the facilities are in place, 3) approved in part if a portion of the development falls within the acceptable level of service threshold, or 4) approved conditionally to provide for all or part of such facility to be built by the developer. To be effective and legally defensible, there must be a partnership between the development community and the local government. Local governments must continue to make best faith efforts to keep pace with growth. For instance, if the County were to restrict a residential development because the nearest EMS Base is twice as far as the standard allows but a new, closer EMS Base is nowhere to be found on the County's Capital Improvement Program, legal concerns will certainly be raised. Ultimately, the burden in an APFO lies equally on both the public and private sector. Despite popular belief, it does not involve completely passing the responsibility on to the development

community.

However, this type of ordinance does recognize that there is a direct cause and effect relationship between new development and the burdens it places on public facilities and services. The Ordinance would not be a tax or a fee but would simply slow development down until facilities can catch up. The only funds that may change hands would be those related to any mitigation efforts by an affected developer.

An APFO could slow growth significantly, especially if municipal jurisdictions within the County chose to not adopt a similar ordinance. With all parts of the Unifour so closely linked together, an APFO would likely work best as a regional approach. (The exception to this is if the APFO is designed to specifically slow down a segment of growth - e.g., residential in Catawba County). It is somewhat clear that APFOs are permitted under State law, however it is likely that any adopted APFO would be challenged in court to determine its legal standing. The few that exist in North Carolina are in very high growth areas for example Cabarrus County and Currituck County.

Given the current and projected growth rate for Catawba County (1% per year or less), this is an approach that does not appear to be warranted now. An APFO, in its purest sense, is somewhat of an extreme, second tier approach to growth management. It should be considered if the growth rate in any three consecutive years exceeds 2% or if residential building permit issuance (single-family and mobile homes) begins to consistently exceed 2,000 per year (1,258 were issued in Catawba County last year). If this type of unexpected growth surge begins to occur over the coming years, there would certainly be merit in giving an APFO a second look.

It is important to note that the first (and most significant) recommended growth strategy included in this Report is a zoning-based approach to growth management and does include some of the same principles of an APFO but without its rigidity.

12. Creation of Water and Sewer Authority

To meet the regional wastewater - and to a lesser degree water - needs of Catawba County, a regional water and sewer authority could be created. Authorities can take various formats and pull from various funding sources. Typically an authority would operate treatment facilities and construct and maintain major utility lines. The municipalities would continue with retail services and maintenance of secondary lines and facilities. On the surface, it appears that an authority would likely be the most practical, cost-efficient way to extend sewer service to the Sherrills Ford area. It would look at sewer service from a regional perspective based upon natural drainage basins rather than local government boundaries. It may even include other surrounding counties.

However, there would obviously be some turf battles in giving up individual, local government

autonomy in regards to providing utilities. Problems can also arise when a separate authority has full control over providing utility services. For instance, a typical authority's objective would be to provide the most extensive network of utility service, as expeditiously as possible and at the lowest cost. These are all positive goals. However, suppose the County (or to a lesser degree a municipality) wishes to slow growth in a given area because of certain growth related problems (i.e., schools or roads). Those growth management goals might conflict because water or sewer service will likely aggravate these problems. With an authority, up-front planning is crucial to avoid conflicting results later. In fact, inter-local agreements between the municipalities, the County (or counties) and the authority should spell out responsibilities and goals of each entity. A significant, and equitable, level of both municipal and County control would be important for a successful venture.

Finally, an authority may be a bad approach if it was determined that there would be few other utility needs that would not be able to be adequately addressed by the existing municipal system and occasional County funding support.

The County is currently in the process of conducting County water and wastewater studies. It is likely that this option will be addressed as part of those plans. Therefore, it is not included as a formal recommendation in this document. However, the growth related consequences of this approach (described above) should be explored extensively prior to pursuing it as an option.

13. *Building Permit and School Enrollment Caps*

Building permit caps can limit the number of building permits issued in certain areas. Several alternatives for determining how, and when, to limit permits exist. Caps can predetermine the number of permits that will be issued based upon projected build-out of an area and the schedule of new facilities (capital improvements planning is crucial for an effective program). A second approach may be to set a predetermined acceptable growth rate to be adopted with permits exceeding such a rate being denied. *(The growth indicators described in the APFO section (#11 above) would be growth levels that would be a good starting point for such an approach).* For instance, if a residential permit is requested in a district with an overcrowded school system and a very high growth rate, it could be denied. The same permit might be issued in an area containing a school with excess capacity and a slower growth rate.

Building limitations are generally considered a technique used to slow growth in one area and redirect it to another. Building caps would serve to balance the County's growth more evenly. Determining those areas with high growth and identifying the problem areas would be imperative prior to beginning such a system. The Current Conditions Report of this Growth Plan has defined most of these areas.

Building caps may work best for school related issues and might be more problematic for other areas. Using building permit caps for other local government services may not be as easy to quantify or justify. Furthermore, it can be argued that the process would be unfair to those who do not get permits early in the process and may be “left out” and forced to search for other slower-growth areas of the County (or surrounding counties) in which to build.

Similarly school enrollment caps serve to stop additional enrollment in schools that are over a certain level of capacity. The result would likely be transferring students to different school attendance zones or (through district agreements) to different school districts. This would obviously be an option available to each Board of Education but one that the Board of Commissioners would have little control over. Like building caps, school caps would discourage some development in high growth areas and more evenly distribute the demand on schools. However, it would be a one-dimensional approach, in that other growth measures would not be addressed (roads, EMS service, etc.). Additionally, the County and municipalities would have little say over these matters.

These are both reasonable alternatives over a short period of time but eventually the long term solution would need to be found.

RECOMMENDED GROWTH STRATEGIES

During this Report's fact-finding process, two overriding concerns have been expressed in various forms: 1) the potential decline of Catawba County's quality of life unless steps are taken to prevent it, and 2) the challenge of providing a high level of public services while keeping taxes reasonable. As described in the beginning of this Report, there are numerous techniques to ensure that each of these concerns are addressed. However, a general consensus has been reached among the members of the County Planning Board, the County staff and the staff at Benchmark, Inc. that the most effective way to remedy those two concerns is to implement a number of techniques.

On the following pages are the sixteen recommended Growth Strategies. If adopted as recommended, the strategies can be the best remedy to the two major problems described above. Some of the recommended Growth Strategies are extreme departures from past approaches to growth and development in Catawba County. Others are somewhat innocuous because they are purely voluntary techniques. Early on in the process of developing this Report, it was determined that doing nothing would be out of the question. Inaction (or even delayed action) would likely result in an exacerbation of the problems at hand. Past pro-active planning actions by the Board of Commissioners provided the project team with the confidence to explore all possible options.

The following is a list of the recommended growth strategies. The first strategy is perhaps the backbone to the overall growth plan and is the most detailed and complex strategy. However, each of the other strategies are as vitally important to the success of the Growth Plan.

1. Establish a RESIDENTIAL DEVELOPMENT APPROVAL PROCESS.
2. Establish a new UTILITY EXTENSION POLICY.
3. Begin a JOINT LAND USE PLANNING PROGRAM with other jurisdictions.
4. Explore the possibilities for a VOLUNTARY TRANSFER OF DEVELOPMENT RIGHTS program.
5. Consider the outright PURCHASE OR LEASE OF DEVELOPMENT RIGHTS.
6. Promote high quality living environments by improving RESIDENTIAL DEVELOPMENT STANDARDS.
7. Establish a VOLUNTARY FARMLAND AND OPEN SPACE PRESERVATION Program.
8. Establish new PARK AND OPEN SPACE PROVISIONS as part of new developments.
9. Establish a revised comprehensive CAPITAL IMPROVEMENT PROGRAM.
10. Consider accelerating highway projects through AGGRESSIVE RIGHT-OF-WAY PURCHASES.
11. REWRITE THE COUNTY THOROUGHFARE PLAN.
12. Begin significant DISTRICT, SMALL AREA AND CORRIDOR PLANNING projects.
13. OBTAIN A LOCAL OPTION SALES TAX beginning with legislative approvals.
14. Preserve rural character through the PROTECTION OF SCENIC BYWAYS.
15. Protect the County's heritage through improved HISTORIC PRESERVATION efforts.
16. Explore and implement new ECONOMIC DEVELOPMENT APPROACHES.

GROWTH STRATEGY 1: Residential Development Approval Process

BACKGROUND

During the interview and data gathering portion of this planning process, an overwhelmingly common concern expressed by a number of local leaders was the unpredictability of the residential development in the County. This theme was of particular concern among school officials. It is certainly a difficult responsibility to try to respond to providing public facilities when new development appears haphazardly across the County. These problems are exacerbated when there is little more than a general acknowledgment of the limitations or even deficiencies in the existence of public services such as school capacity.

The current subdivision review process in Catawba County has recently been revised through the creation of a Subdivision Review Board which involves certain public service-related representation (i.e., school officials). While this has allowed for a more detailed and administrative approach to subdivision approvals, it has done little to ensure that there are adequate public facilities available to serve future residential subdivisions. Likewise, manufactured home parks are permitted with little attention to public services. Manufactured home parks are permitted by a special use permit issued by the Board of Adjustment in the R-2 zoning district (applied to more than 90% of the County). Multi-family development is currently permitted in the R-2, R-3 and O&I districts through a rezoning to a Planned Development-Housing District. Multi-family development in the unincorporated parts of the County is rare due to lack of sewer service. Nevertheless, under the current regulatory structure, a far-reaching adequate public facilities review is not part of the review process for an apartment project. Any development involving manufactured homes presents a major challenge to growth sensitive services such as schools. A 100-unit manufactured home subdivision or park can be fully occupied in less than a year. The same subdivision for site built homes will take much longer to build-out. Multi-family developments can be occupied almost as rapidly as manufactured home developments.

The approach to approving new residential development proposed as part of this strategy is not overly complex, but it certainly will require discipline from the County's elected and appointed leaders to make it succeed. It is truly a systematic approach because it does not end with a few simple actions. It involves continued strategic thinking by elected, publicly-appointed and private sector leaders. Simply described, this strategy will provide the Planning Board, Board of Commissioners, school boards, municipalities and other interested public-serving entities with some level of predictability in the growth patterns that occur in the County. It is also intended to provide homebuilders, land developers and other real estate interests with some level of confidence in determining where to pursue development activities.

The proposed process involves setting policies regarding where, when and how land should be developed in Catawba County. Some of these policies are already set as part of VisionQuest and others are described in this Report. After these land development policies are in place, several zoning ordinance amendments (described below) need to occur that will essentially offer the Board of Commissioners the opportunity to review each residential subdivision, multi-family development or manufactured home park on a case-by-case basis and to consider the adequacy of certain public facilities. The County will have the ability to approve (or deny) such development as part of a legislative rezoning process. Several other zoning provisions also need to be adopted to create the best cooperative environment for both the elected and appointed bodies and the developer. These changes include Special Use District Zoning and Open Space Development techniques (both described below).

The effectiveness of this strategy depends on two things: 1) the resolve of County leaders to make some hard decisions early in the process that set in motion the long-term benefits of this new approach to approving residential development, and 2) the long-term, disciplined approach by those same leaders to development-related decision making - including the reliance upon current policies found in VisionQuest and new policies included herein.

OTHER ISSUES

Certainly any change as far-reaching as this one will generate opposition from certain affected interest groups. This is an expected part of such a process and the concerns of these groups are understandable. However, it is clear that this approach to residential development is certainly not as rigid as many of the other growth management tools that have been explored (e.g., Adequate Public Facilities Ordinance, regulatory growth boundaries, moratoriums, building caps). It is also does not have the direct financial implications of several of the revenue options that have been explored such as a land transfer tax or impact fees.

Another issue to be aware of is that this strategy will not be effective in meeting the challenges of providing County services (such as schools) in areas that are annexed by municipalities and are out of the zoning jurisdiction of the County. For example, if a municipality annexes property located in the County school district (which is almost a certainty) and allows a 500 lot subdivision to be developed, the County has lost its control over the design of the subdivision and the opportunity to explore the adequacy of the public facilities it provides. In fact, it is likely that some residential developers will extend requests of voluntary annexation to avoid the County's review of the proposal. Of course the upside to this scenario is that the subdivision would be in an urbanizing area which is certainly desirable and would address some of the objectives outlined in this Report.

The only surefire way to avoid this potential 'jurisdiction shopping' problem is for the municipalities to each adopt a similar approach to residential development. This solution would likely be difficult to

accomplish although it should not be discarded completely as an option to pursue. As described in Strategy #3, several North Carolina counties have developed, or are developing, very cooperative county-wide planning and regulatory efforts.

Another issue is that there could be a slow down in residential growth due to the implementation of this Strategy. With the Unifour counties and other surrounding counties (Iredell, Lincoln, even parts of Cleveland) so interlinked, some development could be redirected to those counties with employment remaining in Catawba County. This could create new growth pressures for places like Granite Falls, Bethlehem and Lincolnton. This slow down in residential growth would certainly result in a decreased demand for services, especially in the schools. However, it is likely that such a slow down would be temporary. Because of Catawba County's well-documented quality of life, it is very unlikely that the demand for residential development would disappear for an extended time. In fact, over time, this strategy could actually create a higher residential demand through the development of higher quality neighborhoods, the preservation of open space and improved school capacity. This increased demand will not be a negative occurrence because it will be more predictable and will attempt to preserve and improve Catawba County's quality of life.

A final issue related to this Strategy is that it will create another layer of County approvals for residential development (subdivisions) that has long been included in a process that has typically enjoyed streamlined approvals, virtually no public input, no adequate facilities review, little or no input from public service providers and no significant involvement from elected officials. This dramatic change for the most active sector of the development community will be significant. It will also certainly increase the personnel costs to respond to such things as more detailed plan review, considerable increase in the processing of rezoning requests and the need for more specialized board and staff training (e.g., historic preservation, open space design).

ACTION PLAN

1. ***Residential Growth Management Boundaries. As an additional tool to the VisionQuest 2010 Growth Management Map, establish a new Residential Growth Management Map more in-line with historic and realistically expected utility expansions. These areas deserve the preservation of rural character and open spaces (see corresponding map).***

The boundaries on the Residential Growth Management Map delineate areas where significant urban growth is discouraged and/or unanticipated for 5-10 years or more and areas where preserving the rural character is important. These 'Rural Conservation Areas' are refinements of the 'Rural Areas' defined in VisionQuest. They have been chosen based upon one or more of the following factors: 1) the existence of water-supply watershed restrictions, 2) the lack of an adequate road system to support new development, 3) the relative abundance of large,

undeveloped tracts not experiencing significant residential development encroachment or pressures, 4) the absence of public (municipal) water or sewer service or the lack of plans for such extensions, and/or 5) the natural, scenic or historic quality of the area determined to be worthy of preserving. All other residential areas of the County are considered conducive to well-planned urban growth and development as provided for in other parts of this Strategy.

2) **Revised Residential Zoning Districts. Amend the Zoning Ordinance to change the dimensional requirements for R-1, R-2 and R-3 Zoning Districts.**

As described in the Current Conditions Report, the R-2 District covers approximately ninety percent of the County's residential jurisdiction. It permits manufactured homes of all kinds, manufactured home parks upon approval of a Special Use Permit by the Board of Adjustment. The R-1 and R-3 are much more restrictive with the R-3 district prohibiting single-wide manufactured housing and the R-1 prohibiting all manufactured housing. However, the R-1 and R-3 districts comprise only a tiny fraction of the County's jurisdiction.

As recommended, the R-1, R-2 and R-3 are to be redesigned to become different districts that serve an entirely different purpose than they do currently. As rewritten, these districts are intended to accommodate very low density residential dwellings and agriculture with a minimum lot size requirement of two acres. These districts are essentially intended to serve as a 'holding zone' for the purpose of directing new subdivisions to a rezoning request whereby the Planning staff, Planning Board and Board of Commissioners can more adequately review and manage growth and become better prepared to respond to its impacts. ***This recommended action is, without question, the backbone to this entire six-point Strategy and many subsequent strategies. Without a disincentive (much larger lots), residential development will proceed as usual and this entire approach would lose nearly all of its effectiveness.*** With the exception of development close to the municipalities, where water and sewer is available and higher densities are warranted, many of the proposed new residential districts would probably not be used. In the short term there would be no incentive to go through a rezoning process if the current R-1, R-2 or R-3 zoning options remain available. As a result, preservation of open space would be limited. Furthermore, without this initial zoning text amendment to the current residential structure, the opportunities for evaluating the individual impacts of residential development on public services would be very limited.

Currently, all three Residential Zoning Districts require 20,000 square foot lots (15,000 with one public utility, 12,500 with both utilities - except R-3 which permits 10,000 square foot lots with both utilities). The following is a summary of the proposed revisions to the current Residential Zoning Districts:

R-1

(Lots 1-5: 20,000 square feet)*

(Lots 6+: Two acre minimum lot size)

Multi-Family and Two-Family development *not permitted* (not changed)

Manufactured homes *not permitted* (not changed)

Manufactured home parks *not permitted*. (not changed)

R-2

(Lots 1-5: 20,000 square feet)*

(Lots 6+: Two acre minimum lot size)

Multi-Family and Two-Family development *permitted* (not changed)

Manufactured homes *permitted* (not changed)

Manufactured home parks *permitted* (not changed)

R-3

(Lots 1-5: 20,000 square feet)*

(Lots 6+: Two acre minimum lot size)

Multi-Family and Two-Family development *permitted* (not changed)

Double- and multi- section manufactured homes *permitted* (not changed)

Single-wide manufactured homes *not permitted* (not changed)

Manufactured home parks *not permitted* (not changed)

* Unless public street construction is required; if so, the two acre minimum lot size and 200' minimum lot width applies. Note: lots 1-5 are permitted to have smaller lots for two reasons; 1) to allow for family subdivisions to be created thus corresponding to the family subdivision provisions of the Subdivision Ordinance, and 2) scattered subdivisions under five lots have very little impact on the provision of public services or the quality of life.

3. **New Zoning Districts.** *Amend the Zoning Ordinance to establish additional zoning districts as described below.*

As Catawba County changes to a more urban County, there is an increasing concern from the County Planning staff that there are not enough residential development options to be responsive to the demands from the development community concerning densities, location and dwelling types. Staff is also concerned about the limited commercial and industrial zoning options that are available. This is an issue that staff is currently exploring and will be addressing after the implementation of the recommendations of this Report.

The creation of new zoning districts is a major component of this proposed Strategy. The increased density offered with some of the new districts will likely serve as an incentive to higher quality development, especially as it relates to the use of open space development techniques.

The new districts, coupled with the restructuring of the current districts gives the County a wide range of urban, suburban and rural districts to choose from when evaluating requests to amend the Zoning Atlas. This will be a valuable tool for the development community as well.

R-7 RESIDENTIAL HIGH DENSITY DISTRICT *(see note at the end of this subsection)*

The R-7 District is primarily intended to accommodate high density single-, two- and multi-family dwellings in urban areas with a maximum overall density of approximately 11.4 units per acre (*7,000 sq. ft. minimum lot size*). The District may at some point include options for ‘Traditional Neighborhood Developments’ (TNDs)*. This district is best suited to be applied only in areas where there is available public water and sewer service or where acceptable on-site septic systems are approved by the Environmental Health Department in strict adherence to the provisions provided for in the Open Space Development regulations (see later section of this Strategy). Manufactured homes on individual lots are permitted. *(Note: any use may be eliminated or altered through Special Use District Zoning - see following section).*

* Note: The establishment of Traditional Neighborhood concepts as an alternative to a standard subdivision development would be ideal for creating ‘urban villages’ in those urbanizing areas of the County. Some components of TNDs are as follows:

- Clearly defined edges to the community or village.
- Creations of public space: squares, greens, parks and plazas, etc.
- Connecting streets and pedestrian-friendly streets.
- ‘Enclosed’ streets through building and street tree location.
- Screening of unattractive uses.
- Mixed housing types.

R-9 RESIDENTIAL HIGH DENSITY DISTRICT *(see note at the end of this subsection)*

The R-9 District is primarily intended to accommodate the same higher density development patterns as does the R-7 and R-12 Districts. The description in the R-7 District would apply to the R-9 District except for the maximum overall density of approximately 8.6 units per acre and a slightly larger lot size (*9,000 sq. ft.*).

R-12 RESIDENTIAL HIGH DENSITY DISTRICT *(see note at the end of this subsection)*

The R-12 District is primarily intended to accommodate the same higher density development patterns as does the R-7 and R-9 districts. The description in the R-7 District would also all apply to the R-12 except for the maximum overall density of approximately 6.2 units per acre and a slightly larger lot size (*12,000 sq. ft.*).

R-15 RESIDENTIAL MEDIUM DENSITY DISTRICT *(see note at the end of this subsection)*

The R-15 District is primarily intended to accommodate medium density single- and two-family detached dwellings in suburban areas at a maximum overall density of approximately 2.9 units per acre (*15,000 sq. ft. minimum lot size*). It is best applied only in areas where there is available either public water or sewer service, or both. However where acceptable on-site septic systems are approved by the Environmental Health Department in strict adherence to the provisions provided for in the Open Space Development regulations neither public utility is required. Manufactured homes on individual lots are permitted. *(Note: any use may be eliminated or altered through Special Use District Zoning - see following section).*

R-20 RESIDENTIAL MEDIUM DENSITY DISTRICT

The R-20 District is primarily intended to accommodate medium density single- and two-family detached dwellings in suburban areas at an overall maximum density of approximately 2.1 units per acre (*20,000 sq. ft. lot size*). This district may be applied anywhere in the County. Manufactured homes are permitted. *(Note: any use may be eliminated or altered through Special Use District Zoning - see following section).*

R-30 RESIDENTIAL LOW DENSITY DISTRICT

The R-30 District is primarily intended to accommodate low density single-family detached dwellings on large lots in areas without access to public water or public sewer services. The overall maximum density will be approximately 1.4 units per acre (*30,000 sq. ft. lot size*). This district may be applied anywhere in the County. *(Note: any use may be eliminated or altered through Special Use District Zoning - see following section).*

R-40 RESIDENTIAL LOW DENSITY DISTRICT

The R-40 District is primarily intended to accommodate very low density single-family detached dwellings on large lots in areas without access to public water or public sewer services. The district is established to promote single-family detached residences where environmental constraints, public service capacities or soil characteristics necessitate very low density single-family development. The overall maximum density will be approximately one (1.0) unit per acre (*40,000 sq. ft. minimum lot size*). This district may be applied anywhere in the County although it is especially intended for application to the WS-II-PA Special District (watershed protection) whereby the lot size requirements are

comparable. Manufactured homes are permitted. (*Note: any use may be eliminated or altered through Special Use District Zoning - see following section*).

Important Notes:

The Planning Board recommendation and the recommendation of Planning staff and staff at Benchmark, Inc. do not correspond regarding the establishment of the R-7 and R-9 districts. Planning Board members believe that 7,000 and 9,000 square foot lots would be too small for County zoning application. Planning staff and Benchmark staff feel that the creation of the R-7 and R-9 districts is necessary for three reasons: 1) to serve as an incentive to encourage clustering options for the preservation of open space, 2) to allow for the establishment of more compact, traditional neighborhoods primarily near urban areas likely to be annexed, and 3) to secure a higher return on utility investments made by the County and the municipalities. It is critical to realize that by simply providing for such a district in the Zoning Ordinance in no way automatically establishes such a district in the Official Zoning Atlas. Initially, none of the new districts will be applied to the Zoning Atlas except by the action of the Board of Commissioners, either pro-actively or in response to the request of property owners and/or developers.

A second conflicting recommendation involves the provision of public water and sewer services for the R-9, R-12 and R-15 Districts. The Planning Board recommends that all three districts be required to have municipal/public water and/or sewer available, as applicable. Planning staff and Benchmark staff believe that one of the few realistic ways to preserve open space is through well-designed clustering techniques (described in a following subsection). One clustering technique is to allow on-site septic system drain fields to extend beyond property lines and onto a common area where the property owner has a permanent utility easement on an otherwise unbuildable (preserved) parcel of property. This technique can satisfy environmental health issues and may preserve open space. It is less likely to occur without a density incentive.

‘Available’ public water and sewer service is defined in the next recommended growth strategy outlining public utility extensions policies.

4. **Special Use District Zoning.** *Amend the Zoning Ordinance to establish Special Use District Zoning procedures.*

At times, elected officials have been faced with a rezoning request where decision making was difficult because the consideration of specific land uses, detailed site design and land development proposals are legally not permitted as part of a traditional rezoning case. There exists an option to such dilemmas.

Special Use District Zoning is a technique, permitted specifically by the N.C. General Statutes (NCGS 153A-342). It is widely used in growing cities and counties, especially in urban areas, where the potential for land use conflicts is more common. It is not a substitute for traditional zoning approaches through sound planning. It is, however a good tool for mitigating the negative consequences of incompatible development. Such instances may be where commercial development, without special requirements, would be incompatible with adjacent residential property; or where proposed manufactured homes are not in keeping with the character of the surrounding residential development patterns.

Conventional Rezoning vs. Special Use Rezoning	
Conventional	Special Use
May be initiated by a number of parties including the Board of Commissioners	May <i>only</i> be initiated by the owner of the property in question.
All uses permitted in the district must be permitted	Use limitations allowed
No conditions allowed - minimum standards apply	Conditions permitted, but must be more restrictive than minimum
During hearing process the subject area may be reduced but no use limitations or conditions may apply	During hearing process the subject area may be reduced, uses further limited and conditions made more restrictive (only when agreed upon by the applicant)
No use limitations or conditions implied or otherwise	If approved, use limitations and conditions become the zoning for the property and are enforceable by the County
If approved, the rezoning 'runs with the land' with all permitted uses and minimum standards	If approved, the rezoning 'runs with the land' with all limitations and conditions

As a growth management tool, Special Use rezonings can be invaluable in providing for simple site improvements that meet common, public objectives and to eliminate incompatible uses such as manufactured homes in an area developed as mostly site-built homes. The Special Use rezoning process may result in such improvements as turn lanes for new development, multiple

entrances for subdivisions, increased buffers, screening or open space, reductions in sign or building heights and/or the elimination of incompatible uses. Without it, specific concerns from surrounding property owners are often lost in the administrative development review process that occurs after the rezoning action is completed.

As proposed, Special Use Zoning will be a crucial implementation tool in protecting the County's rural and historic heritage, preserving open space, creating people-friendly neighborhoods and mitigating traffic problems. When partnered with other strategies described in this document, Special Use Zoning becomes a key tool for compromise. For instance, rezoning requests in the rural areas to higher density zoning districts can be required to go through the Special Use Rezoning process to achieve the desired characteristics for the development. Conditions such as preserving significant open space through clustering, preventing clear-cutting of land or protection of historic structures could be placed on such rezoning approvals. Limitations on lot size or other dimensional requirements or a maximum number of dwelling units could be included as part of the Board of Commissioners' action. Limitations on the use of the property can also be instituted. This is an especially important tool to have when dealing with incompatibility issues, such as manufactured homes.

It is important to note that, with this type of rezoning, the property owner would have to agree to such conditions and/or use limitations as part of the application otherwise the Commissioners could reject the application or the owner could simply withdraw and retain the existing zoning classification. Decision-makers must be aware that the rezoning is not a "contract" with a particular land owner or developer. Instead all conditions placed on the approval 'run with the land.' The only way these can be altered is by additional action by the Board of Commissioners.

5. **Development Practices to Preserve Open Space.** *Amend the Zoning Ordinance to establish development practices and procedures that encourage the preservation of open space. These provisions should be available in all districts. Also, the County should commission the N.C. Natural Heritage Program to conduct a Natural Areas Inventory. Finally, the 'Rural Conservation Areas' shown on the Residential Growth Management Map should be amended to correspond with the Natural Areas Inventory's findings.*

Open Space Development (often called cluster development) is designed around the basic principal of grouping new homes or other development onto a portion of a property so that the remainder can be preserved in its natural state. This approach typically does not increase the overall density of a development. It merely permits the transfer of density from one part of the property to another.

This approach can be very effective in mitigating environmental problems. Costs of building

roads and other infrastructure are significantly reduced. The cost of housing is often reduced through lower land preparation costs. The attractiveness of having a wooded area or open field surrounding the development (that can never be disturbed) can be very attractive to the homeowner and marketability of the development. Public water and sewer will provide for the best alternatives for clustering; however, septic systems can be placed in common open space and maintained through permanent easements for individual homeowners. In fact, by having a large area of open space adjacent to the lots, a built-in septic system 'repair area' is already established and can provide for unexpected septic system relief to homeowners. In conventional 15,000 or 20,000 square foot lot subdivisions, once the septic system fails, there are sometimes few simple or inexpensive answers to resolve the problem. Furthermore, by clustering, only those soils suitable for the *long term* suitability of septic systems can be used (not merely those passing the current Health Department rules). In other words, in this type of development, the best soils can be chosen because of the existence of the common open space.

Clustering sometimes carries with it a negative image because it places homes closer together with smaller lots than a typical subdivision would. This perception exists even though the overall density is not increased and a vital natural resource is preserved. To make clustering work, design standards are very important to ensure that privacy and appearance are maintained.

To be successful, Open Space Development should follow certain rules: 1) if it is in a very rural areas, lots must be large enough for rural outdoor activities (at least 20,000 square feet) - smaller lot sizes are appropriate in less rural areas that are in transition to urban; 2) open space should ideally be active farmland or woodland - if not then well defined uses such as active or passive recreation and maintenance responsibilities assigned to an established homeowners association are crucial to prevent vegetation overgrowth or the accumulation of trash and junk; 3) Open Space Developments should be strongly encouraged in the 'Rural Conservation Areas' shown on the Residential Growth Management Map; 4) clusters should be small - no more than 6-10 home sites separated by significant open space buffers; 5) all Open Space Developments must start with an initial inventory and map of areas needing protection; 6) specific criteria for selecting preservation areas is necessary; and 7) larger lot zoning should exist as an incentive to cluster (which is included at the beginning of this strategy).

Finally, several areas have been identified as 'Rural Conservation Areas' on the Residential Growth Management Map (included in this section). However, as described in the subsection on residential growth management boundaries, these rural areas have been identified primarily by governmental matters (utility service, road capacity, watershed protection rules) or by development pressures (or lack thereof). A *general* consideration of the natural, scenic or historic quality of the area was also considered in defining these areas. However, there has never been a scientific and systematic inventory of the County to determine what is really worth

preserving. Upon request, the N.C. Division of Parks and Recreation's Natural Heritage Program will conduct a 'Natural Areas Inventory' for counties. Most county inventories can be completed for around \$30,000 or less. More than half of the 100 counties in North Carolina have completed an inventory. Nearby Iredell and Mecklenburg counties have recently completed inventories.

6. **Rezoning Policy.** *Adopt a written Rezoning Evaluation Policy described below.*

Several VisionQuest policies discourage leap frog development and growth away from municipalities. The preference would be to discourage all development outside of a municipal water and sewer service area. However, the realities are that there are land pressures in Catawba County that are much farther away from the municipalities than is ideal (e.g. Lake Norman). Therefore, pressures to develop at relatively high densities will certainly continue to exist. The policies that are in place will ultimately determine how effective many of the strategies in this Report will be.

Determining when a rezoning request to a higher density zoning district is appropriate for approval is perhaps the most crucial component of this multifaceted Strategy. With most rezoning cases, the County Planning staff will offer as much information as possible to the Planning Board and Board of Commissioners to assist in the decision making task. Information may include traffic data and capacity concerns, compatibility of different land uses, and references to established County policies (e.g., VisionQuest) related to land use and development.

Establishment of a process which includes a detailed, objective and quantifiable evaluation of a proposed site design through the rezoning process is a relatively common planning practice. Such evaluations are not intended to stop growth (or even slow it) but to make it better.

It is recommended that this 'Residential Development Evaluation Process' be adopted as policy by the Board of Commissioners which sets a specific framework for the consideration and evaluation of residential rezoning requests. This evaluation process attempts to address several key objectives (most found throughout the policies of VisionQuest and expanded on in this Plan):

- 1) It discourages higher density development in areas where significant urban growth is unanticipated and rural character is important;
- 2) It encourages the use of Special Use District Zoning to mitigate land use conflicts that may arise through the rezoning amendment process;
- 3) It encourages the preservation of open space, farmlands and woodlands, especially

in identified ‘Rural Conservation Areas’;

- 4) It encourages conformance with any District or Small Area Plans adopted by the Board of Commissioners;
- 5) It discourages development in areas of the County lacking public facility or service capacities (e.g., utilities, roads, schools, libraries, EMS);
- 6) It encourages higher quality development standards and practices (e.g., underground utilities, sidewalks, tree preservation);
- 7) It encourages development within one to three miles of a municipal limit based upon the ETJ distance authority granted by the North Carolina General Statutes for the particular municipality.

This rezoning procedure would create a give-and-take environment to achieve the desired level of quality. It would allow the County to say “no” to development that is contrary to these objectives when such a development presents itself. Some characteristics of this kind of development are those with poorly designed layouts, those that do not attempt to preserve open space, tree clusters or wetlands and those that lack (or will overburden) public services such as traffic capacity, school capacity or public water and sewer service.

With this evaluation process, developers are encouraged to donate land for public purposes or make needed improvements to public facilities (especially roads) serving the development. By doing so, a developer would have a better chance at receiving the rezoning when attempting to address general community objectives as part of the development proposal. ***This program is a good approach to the implementation of necessary County policies without stringent, inflexible regulations such as adequate public facilities ordinances, growth boundaries and building caps.***

This program establishes a relatively systematic approach by which all new rezonings are to be evaluated. The goals and policies are reviewed and compared to the new proposed development. Special Use Zoning should be used in sensitive cases as another tool to ensure that the strategies in this Report are addressed. In evaluating the requests, the following Evaluation Criteria should be used by planning staff, developers, citizens opposed to a development (or certain features of a development), the Planning Board and the Board of Commissioners when making residential rezoning decisions.

This rezoning evaluation approach is one of many tools available to help manage land use and development. ***It is not part of an ordinance and is therefore not required to be used in all cases.*** However, it is strongly recommended that the chart become an integral part of the rezoning process. It is important to keep in mind that the courts in N.C., and throughout the Nation, have allowed local governments wide latitude in determining appropriate land use and development patterns as long as due process is given through the required hearing and notification procedure. However, the courts have consistently ruled that rezoning decisions may not be arbitrary or capricious. By using adopted policy statements, based upon a detailed plan, in making rezoning decisions, this potential legal pitfall would likely be avoided.

As with all rezoning requests, significant attention should be given to the concerns of adjacent property owners or other concerned citizens. This is much more subjective than the evaluation process described above. However, comments from citizens at a rezoning hearing are the backbone of the legislative zoning process in North Carolina. It is hoped that this Strategy will create a more cooperative environment among and between the development community and the County's current residents.

The general criteria for evaluating rezoning requests follows. County staff should include a reasonably detailed review of each of these components and include the findings of such a review as part of the information submitted to the Planning Board and Board of Commissioners during the rezoning process. Strong consideration should be given to rejecting proposals where significant deficiencies in meeting the criteria exist or where the adopted policies are not adhered to.

EVALUATION CRITERIA FOR RESIDENTIAL REZONING REQUESTS ¹

1. The proposed Zoning District is compatible with the findings and recommendations of an adopted *Small Area Plan or District Plan*.
2. The site conforms to the individual *purpose statement* for the proposed Zoning District.
3. The rezoning request is to a *Special Use District*.
4. Site boundary located within three miles from the *municipal boundary of Hickory and within one mile of the boundaries of any other municipality*.
5. *Municipal water service* to be extended to serve the development.
6. *Municipal sewer service* to be extended to serve the development.
7. *Open Space Development Techniques* are used, especially for property located in a 'Rural Conservation Area'.²
8. *Vegetative buffers* provided at a width greater than 50 feet on sites adjacent to any perennial water as shown on the most recent USGS 1:24,000 (7.5 minute) scale topographic maps.

9. The site as a whole has *access* to either one or two major or minor thoroughfares or arterials (*excluding driveway connections for individual lots*).
10. *Traffic carrying capacities* on roadways providing direct access to the site are no more than 120 percent of capacity or the roadway is included in a local Capital Improvement Plan with improvement to begin within five years or the State's Transportation Improvement Plan within seven years. *Note: Capacities and traffic counts are listed in one of the County's three Thoroughfare Plans or from the NC Department of Transportation. If adequate information is not available, this criterion should be only marginally considered.*
11. A *public park or recreation facility* (municipal or County) is located within three miles from the site or one is included in a Capital Improvement Plan with construction to be completed within five years.
12. There is available *school capacity* (elementary, middle and high school) or an adopted capital facilities plan is in place for providing necessary additional space generated by the development within four (4) years. *Note: if a development is to be phased, only the current phase should be used to determine impacts.*
13. There is a *public library* (municipal or County) within three (3) miles of the site or one is included in a Capital Improvement Plan with construction to be completed within five years.
14. There is an *EMS base* within four (4) miles of the site or one is included in a Capital Improvement Plan with construction to be completed within five years.
15. The development includes *sidewalks* on one side of all streets (except cul-de-sacs) but preferably on both sides.
16. The development includes a submitted *tree preservation* plan that ensures preservation of the most mature significant trees possible.³
17. *Historic structure(s)* are to be preserved on-site or by relocating.
18. *Street trees* (at least 4' tall) are to be planted along all roadways except cul-de-sacs.
19. *Underground Utilities* (electrical, television cable, and telephone utility lines) installed.

¹ *The evaluation criteria described above is more extensive and detailed than the criteria reviewed by the Planning Board. Upon further study, County staff felt that the original list of criteria was not detailed enough to provide for an adequate review process and was therefore revised. The same general approach to evaluating rezoning requests has not changed.*

² *The Open Space Development Practices should be applied on properties where the preservation of open space, unique natural features and historic structures presents itself and areas where such an approach is a priority (especially in the 'Rural Conservation Areas' shown on the Residential Growth Management Map). Additionally, all proposed development should account for those conservation components applicable to the site. (Note: certain natural and historic features such as open space can be easily identified. However, the completion of a Natural*

Areas Inventory - recommended in the subsection on open space preservation - will make this principle easier to apply to specific cases).

- ³ *A mature significant tree shall refer to any tree within the County of an oak genus which measures ten inches or more in trunk diameter and/or any other species of trees which measure twelve inches or more in trunk diameter. The trunk diameter shall be measured at a point thirty-six inches above the ground at the base of the tree.*

GROWTH STRATEGY 2: Utility Extension Policy

BACKGROUND

For several years, the County has participated in two relatively unique agreements with the municipalities: a Revenue Sharing Program and a Revolving Loan Program. These programs have allowed the County to participate in the funding of certain eligible water and sewer projects. The programs are limited to those projects that: 1) are outside of incorporated areas; 2) are constructed to stimulate economic development, notably commercial or industrial growth; and 3) address environmental concerns.

Most of the County's recent emphasis has been to support improved public water service to several County schools located some distance from municipal water systems. In these instances, there may not have been a reasonable alternative to this problem. However, with these utility extensions, come a growth concerns. One of the chief culprits of uncontrolled, sprawling development is the large scale extension of municipal utilities away from the urban areas.

Each of these utility extensions into rural areas has a specific objective. Often it has been environmental concerns prompting the extensions. However, with the lines in place, what happens to the land surrounding it? Should it be developed? Should new subdivisions be required to use the service if it is a 'reasonable' distance from the nearest water line? Should existing homeowners be required to connect?

ACTION PLAN

Unfortunately, there are now waterlines in place in areas of the County that perhaps were not ready for new growth and development. However, the potential revenue source from water sales and the significant improvement in water quality from the public water must now be accepted. Consideration must be given to future development along these lines.

Therefore, the County should require, by ordinance, extension by the developer of public water and public sewer, designed to County or municipal standards, to all subdivisions and other residential developments based upon a sliding scale of distance to nearest extendable line and intensity of the development. Currently, requiring a developer in the Lake Norman area to extend a sewer line to his or her property may not be practical. However, requiring an extension within a reasonable distance of an existing line is certainly appropriate. The required connections to public water and sewer lines would only be required where available at a predetermined distance as follows:

<u>Available Water System Lines</u> Water or sewer is available if the subdivision, multi-family development or manufactured home park contains the number of lots or dwelling units listed in column A and municipal water lines are within the distance shown in column B	
A Lots/Dwelling Units	B Distance
5 and under	See County Water & Sewer Extension Policy
6-25	1/4 mile
26-50	½ mile
51 and greater	1 mile

<u>Available Sewer System Lines</u> Water or sewer is available if the subdivision, multi-family development or manufactured home park contains the number of lots or dwelling units listed in column A and municipal sewer lines are within the distance shown in column B	
A Lots/Dwelling Units	B Distance
5 and under	See County Water & Sewer Extension Policy
6-25	1/8 mile
26-50	1/4 mile
51-100	½ mile
101 and greater	1 mile

Review of the costs for extension of public utilities vs. the costs for on-site systems reveals that - except for the very small subdivisions (under 15 lots) - it is very cost effective to extend public water and sewer services in lieu of installing on site well and septic systems. Using averages of \$24 per linear feet of

waterline (installed) and \$40 per linear feet of sewer line (installed) and \$2,500 for a typical well and/or septic system, a large subdivision can save significant amounts of money by extending municipal water lines to the site. For instance, individual wells and septic systems for a 200-lot subdivision would cost upwards of \$1 million. The cost of extending water and sewer lines the required one mile would typically be less than \$350,000. Also, other cost savings can be realized through lower fire insurance ratings for lot owners who are served with public water.

Furthermore, the County may require that the utility lines required to be extended be upgraded to a larger sized line to serve existing or anticipated development. In such cases, the County and/or the municipal provider will reimburse the subdivider the cost difference between the installation of the minimum acceptable line to serve the development and the installation of the larger line.

GROWTH STRATEGY 3: Joint Land Use Planning Program

BACKGROUND

It has been established by the Board of Commissioners that it will refrain from granting Extraterritorial Zoning Jurisdictions (commonly called ETJs) to any of the eight municipalities. The Board of Commissioners has a long record in zoning and subdivision control aimed at encouraging proper, well-planned development patterns. Also, the Board of Commissioners has taken the position that citizens should be able to elect those that govern them. The current State ETJ laws do not facilitate such accountability. This resistance to granting ETJs is common in other counties in North Carolina.

The municipalities are certainly the primary *urban* service providers and are in the best position of determining the future demands that new growth will place on these services. Therefore, it does make sense that those areas in potential municipal service areas are regulated in such a manner that will ultimately be compatible with municipal plans for the area. Because of rapid urbanization coupled with the absence of new ETJ zoning, Catawba County should look at coordination of land use planning and zoning applications with the municipalities that are designed to meet the long-term objectives of the municipalities.

By the same token, a municipality has a responsibility to consider the effects on County services when considering new development proposals. For instance a municipality may be less sensitive to the needs of the rapidly growing County School system and its capacity issues than would the County government. Municipal expansions of utility services into unincorporated areas without County input can also cause growth related problems.

It is imperative that officials in each local government in Catawba County do everything possible to find ways to cooperate in future land use planning. The success of several of the initiatives included in this Report will depend upon municipal participation/cooperation in some form.

ACTION PLAN

The County should take an active lead in establishing an ongoing program for joint land use planning and land use regulation including the following initiatives:

1. Establish a procedure to allow for joint County-municipal review of all projects (major subdivisions, rezonings, non-residential developments) within one (1) to three (3) miles of any municipal limit - based on the permitted ETJ distances prescribed by the N.C. General Statutes

for the particular municipality. This strategy must also ensure that the County Planning Board, the Subdivision Review Board and/or the Board of Commissioners consider municipal comments and suggestions prior to any action being taken.

2. Encourage municipalities to provide for a joint County-municipal review of all residential projects located in municipal limits but are also located in the County School District.
3. Begin cooperative land use planning in areas affecting incorporated and unincorporated areas, similar to the 321 Corridor District Plan project, but with more formal agreements to implement the findings. Recommended areas where such planning should occur are included as part of recommended Strategy #12.
4. Explore the development of a multi-jurisdictional Unified Development Ordinance (UDO) that would formally link many of the growth management tools recommended in this document. This Ordinance would create a single ordinance that would provide for a regulatory framework (zoning, subdivision, flood hazard prevention, etc.) for the entire County including both incorporated and unincorporated areas. Such an ordinance *could* be governed by a single County Planning Board (see below) and enforced by a single County staff. However, just as easily, full autonomy could be retained by implementing and enforcing the same ordinance separately by each jurisdiction.

Note: New Hanover, Forsyth and Guilford counties have multi-jurisdictional ordinances in some form. Cabarrus County and its four municipalities (Concord, Kannapolis, Harrisburg and Mt. Pleasant) are developing such an approach to land development control although no joint Planning Board or staff is being considered at this time. An Adequate Public Facilities Ordinance is included as part of the Cabarrus County UDO. By contrast, Charlotte and Mecklenburg County have a single Planning Commission and a joint planning staff but separate ordinances and separate governing bodies.

5. Explore the establishment of a single County Planning Board that would be made up of representatives from each jurisdiction of the County based upon population. The joint Board would make recommendations which would be forwarded to the applicable governing body for final decision-making. (Notes: 1- with nine jurisdictions in Catawba County, this initiative would only be practical if some sort of multi-jurisdictional ordinance is adopted. 2 - the Planning Board did not specifically endorse this single Board approach but staff felt it was a viable option to continue to evaluate).
6. Elicit the assistance of a neutral party, such as the Western Piedmont Council of Governments, to serve as a facilitator for several planning sessions aimed at the exploration of the five action

initiatives described above.

GROWTH STRATEGY 4: Voluntary Transfer of Development Rights

BACKGROUND

Transfer of Development Rights (TDRs) involve designating areas that are in need of conservation and protection (sending zones) and areas that can withstand increased development density or intensity (receiving zones). The concept involves a property owner in a sending zone having the ability to sever the right to develop his or her land in return for “sending” those rights to another property in a more appropriate location through increased density or intensity. To sever the rights, the owner may give the property to a public body or preserve the property as part of a permanent conservation easement. The rights that are sent can be retained and used in a receiving zone by the original owner or sold or otherwise transferred to another party to be used in a receiving zone (the same or different location).

The program is completely voluntary, does not involve spending significant public money (other than administration costs) and does not force property owner action through zoning or other regulations. The County benefits from the preservation of rural character, open spaces and natural resources and by the reduction in sprawling development.

OTHER ISSUES

It is not clear that the General Statutes provide for the establishment of TDRs outright except in thoroughfare planning. Therefore special legislation would likely be necessary which could take a few years. The TDR concept is often viewed as unfair because it grants higher density to certain property owners in a given area and denies others the same right without the benefit of a public hearing or zoning change. On the surface, TDRs appear to be a reasonable solution for preserving lands that are sensitive and for other public purposes. In reality, they can sometimes become impractical, under-utilized and can create administrative challenges.

ACTION PLAN

1. Explore the willingness of the municipalities to participate in the joint preparation of a TDR program. Municipal participation will make the TDR program far more effective because of the increase in land available with services which can accept the increased density. A much more effective approach to TDRs would be the creation of a multi-jurisdictional Unified Development Ordinance described as part of the previous Strategy (#3).
2. Identify and reach agreement on those receiving zones where appropriate land development patterns exist and urban services are available for a potential increase in density. These are likely

to be within or close to municipalities. The sending zones - areas where preservation is desired - will likely be those 'Rural Conservation Areas' shown on the Residential Growth Management Map described in Strategy #1. Identified historic sites and certain areas defined by the Natural Areas Inventory (described in other sections of this Report) are also prime locations for sending zones.

The advantage of such a program for the municipalities would be the increase tax base and increased revenues (e.g., utility revenues) generated from higher density and more compact infill development. Cities could also use such an inducement for the redevelopment of blighted or declining areas. However, the largest advantage would be that such a program would facilitate the preservation of rural and historic qualities in unincorporated parts of the County, some of which may eventually be municipal areas. The preservation of these qualities is good for the entire County regardless of political boundaries.

3. Request special legislation permitting the establishment of a TDR program for the preservation of open space, farmland and natural, cultural and historical resources (naming the County and each participating municipality if appropriate).

GROWTH STRATEGY 5: Purchase/Lease of Development Rights

BACKGROUND

An alternative to transferring development rights is the outright purchase or lease of development rights. When someone owns land, they also own separate rights to use the land - to occupy it, to control access to it, use the natural resources on it, to enjoy it and sometimes generate income from it (e.g., farming, timber, mining). More importantly, in all areas (especially those experiencing urbanization) these rights include development rights - developing land for others to live on, as allowed by local ordinances and regulations. Just as mining rights are commonly sold or leased, the rights to develop can also be sold or leased. In both cases the landowner still owns the land.

The concept of separating development rights from land and retiring those rights in order to permanently protect sensitive land from development was started in Suffolk County, NY (Long Island) in 1974. Several years later, Maryland and Massachusetts inaugurated the first statewide Purchase of Development Rights (PDR) programs. In the twenty years since these two programs were started, more than 128,000 acres (Maryland) and 40,000 acres (Massachusetts) have been preserved. Montgomery County, Maryland, Lancaster County, Pennsylvania and a number of growing cities and towns such as Boulder, Colorado and Martha's Vineyard, Massachusetts have had enormously successful land purchase/lease programs. The June 1997 issue of the Farmland Preservation Report listed the top ten farmland preservation counties nationwide. At that time, Montgomery County had preserved more than 45,000 acres with Lancaster County having preserved over 24,000 acres. It is obvious that the most successful county programs are in states with active state-wide programs.

When a local government or non-profit agency purchases land in sensitive areas (areas of environmental, cultural or historical significance), it forever preserves the property from unwanted destruction of its natural state. An alternative to purchase would be to purchase easements for specific uses or to purchase certain development rights from a property owner to preserve a specific character of a piece of land. This type of approach to land conservation is not an approach taken on a wide scale but is now occurring more often. In 1988, Mecklenburg County voters approved \$10 million in bonds specifically to purchase development rights on county farms. The Mecklenburg County Board of Commissioners, under pressure from developers, twice voted against setting up the necessary mechanisms to spend the money. In 1993, the bond authorization expired without a single property right being purchased.

Other counties, such as Forsyth, have had more success. The mission statement of the Forsyth County Office of Natural Resources Conservation is to "Identify conservation opportunities in developing land, water and related resources within Forsyth County...". In 1986, leaders in Forsyth County established its Farmland Preservation Program with the goal of preserving 30,000 acres of the 94,000 of prime

farmland in the County. More than \$2 million of County money was spent to purchase 1,345 acres. The current fiscal year budget includes \$285,000 (\$304,200 in FY 97-98) for the Farmland Preservation Program which continues to go towards the direct purchase of development rights to preserve the County's working farmland. This year, a matching Federal grant of \$95,000 brought the local expenditures down to \$190,000. These figures do not include consulting and legal services which amounted to around \$4,000 per year. Forsyth has included in the "consideration but not funded" section of their current Capital Improvement Program \$7,000,000 for another large scale purchase of farmland development rights. The County has set a goal to purchase another 4,000 acres of parkland and open spaces.

A land purchase or lease program can be politically more feasible than certain regulatory alternatives (i.e., growth boundaries). Although, spending County money on land with no purpose other than environmental protection is just as politically sensitive. Often the land to be purchased can be used for certain public/environmental uses like public parks and greenways, museums (if a structure) and even certain private sector uses like environmentally sensitive residential development. With the purchase of Riverbend Park, Catawba County already has started somewhat of a land purchase program that clearly preserves open space.

OTHER ISSUES

Land, easement or development rights purchase can be very expensive. To be the most effective, the purchase or lease of development rights would be done through the financing of bonds. This approach would generate immediate public benefits. Otherwise, by using only current revenues on a year-to-year basis, the impacts of such a program would be very slow. In these cases the immediate public benefit is not obvious to the general citizenry. Additionally, the time to purchase farmland and open space in rural areas is *prior to development pressures*. After the demand starts the upswing in a rural area, costs can be prohibitive. It is likely that was the part of the problem in the Mecklenburg County example described above. Catawba County is fortunate to have areas that are not yet seeing significant development pressures, where land is likely still reasonably priced.

ACTION PLAN

- 1) The County should set up an Open Space and Agriculture Advisory Board (to correspond with the Board proposed in Strategy #7) consisting of representatives from the Cooperative Extension, the farming community, the Soil Conservation Service, and the development (homebuilding) community. Initially, the group should expand on the fact gathering included in this Plan and come to a consensus on which of the options of this Report , if any, are truly workable and supported by those directly affected by the efforts to preserve open space and farmland. After nine months to a year, this Advisory Board should make recommendations to the Planning Board

and Board of Commissioners regarding these approaches.

- 2) A funding program for purchasing land or leasing development rights on active farms or other lands with significant natural, cultural or historical resources should be examined as part of the budget preparation over the next few years. It is clear that unless such a specialized funding program becomes a reality, and with other pressing needs, this Strategy may not be the highest priority. However, full consideration should be given to the long term potential for environmental, cultural or historical preservation that implementation of this Strategy would bring. The Historic Preservation Strategy described later in this Report includes options for the Historic Preservation Commission to purchase historically significant properties for the purpose of restoration and/or preservation. If that Strategy is pursued to its fullest extent, much of the funding for such preservation purchases is likely to come from the County.

Land in the Rural Conservation Areas, shown on the Residential Growth Management Map in Strategy #1 would be the likely target to begin a PDR program.

In actuality, Catawba County has already begun the process of preserving these resources through outright purchases. Riverbend Park and Bakers Mountain are both areas deserving this level of preservation. Other significant properties that warrant preservation include, land on and around Anderson Mountain and a large inventory of over 600 historic sites including land around Murray's Mill and the Bunker Hill Covered Bridge.

GROWTH STRATEGY 6: Residential Development Standards

BACKGROUND

Growth affects all aspects of a community. Perhaps the most far reaching effect is the kind of quality of life that rapid growth facilitates. Often a community (especially its government) becomes so involved in the financial and economic stresses brought about by growth that it loses sight of the long-term effects on the individual citizen's quality of life. One way to address the quality of life is to improve the design standards for the residential developments where people live. Increasing development standards can be as simple as amending the Zoning or Subdivision Ordinance to specifically facilitate the needed changes. Another approach is the use of Special Use District Zoning to encourage better site designs and require certain public improvements, when deemed appropriate. Through the legislative rezoning process set up in Strategy #1, there are opportunities to encourage higher-quality development design that is site-specific and considers the opportunities and constraints of a given tract of land proposed for development. This approach was chosen as the key implementation component for this Strategy over generic, 'one size fits' all zoning mandates.

OTHER ISSUES

More restrictive development standards of any kind, like larger lot requirements, can drive the costs of development up. With affordable housing being an issue for the County, higher development standards can aggravate this situation. It is true that higher housing costs could eliminate some potential homeowners from the site-built home market in Catawba County.

ACTION PLAN

- 1) It is recommended that the Residential Development Evaluation Process included in Strategy #1 be used to implement this Strategy of encouraging higher-quality development standards. That approach should include the encouragement of:
 - A) Open space development techniques especially for property located in a 'Rural Conservation Area.'
 - B) Vegetative buffers provided at a width greater than 50 feet on sites adjacent to any perennial water as shown on the most recent USGS 1:24,000 (7.5 minute) scale topographic maps.
 - C) Access provided to either one or two major or minor thoroughfares or arterials (excluding driveway connections for individual lots).

- D) Subdivisions located close to public parks or recreation facilities (municipal or County), either existing or planned.
- E) Development which includes sidewalks on one side of all streets (except cul-de-sacs) but preferably on both sides.
- F) Development which begins with a tree preservation plan that ensures to preserve the most mature significant trees possible.
- G) The preservation of historic structure(s) on-site or by relocating.
- H) The planting of street trees along all roadways except cul-de-sacs.
- I) The installation of underground utilities (electrical, television cable, and telephone utility lines).

In general, it should be difficult to develop a typical, sprawling, lot-by-lot subdivision. This kind of development should be treated similarly to commercial or industrial development by exploring the potential for negative impacts.

2. To help combat increased home prices due to improved standards, higher density (less than 15,000 square foot lots or more than four units per acre) development than is currently offered would be encouraged in areas where there are municipal utilities or as part of open space developments using open space easements for locating septic systems (see Strategy #1). Provisions would be adopted that would encourage cluster development in-lieu of typical subdivisions which would result in the potential for reduced land development costs through shorter roads and utility lines and less land preparation. Also, townhouse and apartment construction close to municipal limits can certainly provide for an affordable housing alternative. Again, Strategy #1 addresses each of these issues.

GROWTH STRATEGY 7: Voluntary Farmland Preservation

BACKGROUND

Although affected by adverse circumstances, farming and the existence of farmland remain important components of the County not so much in terms of the economic contribution but as a way of life for many farm families; as a rural setting for a large part of the County's population; and as the visual backdrop and fabric of the scenic beauty and open space of the County. The County, through its agricultural offices, can encourage estate planning and conservation strategies that will facilitate long-term maintenance of this important open space. The Conservation Trust for North Carolina (CTNC) and the North Carolina Cooperative Extension Service are actively involved in farmland preservation programs.

The CTNC promotes economically sound, long-term resource protection by helping individual and corporate landowners use available tax-incentives and a range of voluntary land conservation techniques to achieve their conservation goals. The Trust offers direct advisory services to dozens of local landowners each year. The CTNC is a private land trust with statewide scope, generally acquiring conservation easements and properties in areas not already served by an existing land trust. The CTNC and seven partner land trusts have initiated a strategy to protect working farms throughout North Carolina. The non-profit organization also administers the Farmland Preservation pilot program with funds appropriated by the General Assembly to the Farmland Preservation Trust Fund. It also administers the new Conservation Buyers Network which will link conservation-minded buyers with conservation properties for sale. Finally, the CTNC is part of an ongoing Statewide Conservation Plan project to design a Conservation Plan for North Carolina.

The North Carolina Cooperative Extension Service (NCCES) helps people improve the quality of their lives by providing research-based information and informal educational opportunities focused on issues and needs. Much of this information involves rural and agriculture issues. The NCCES is a part of the nationwide educational service funded by Federal, State and local governments. The mission and work of the NCCES is dedicated to improving the quality of people's lives. In North Carolina, the Extension relies on research-based information from North Carolina State University and North Carolina A&T State University to develop educational programs based on the needs of the State's communities and citizens. The local Extension Service offices throughout the State serve as clearinghouses for the most current agricultural data.

More specifically, the Catawba County Extension Service is focusing its efforts on 20 major programs implemented by the County field staff and supported by the University-based specialists. These programs center on five major areas, three of which are related to farming, open space and rural

preservation three areas related: 1) sustaining agriculture and forestry, 2) protecting the environment, 3) maintaining viable communities.

The County, with the assistance of the Cooperative Extension Office, may establish a Farmland Preservation Program as allowed under North Carolina General Statutes 106 Article 61; “Preservation of Farmland.” One of the primary components of the Farmland Preservation Program involves the establishment of Agricultural Districts. Two requirements for obtaining the voluntary Agriculture District (and the official farmland designation) are that the land be used for farming and that a conservation agreement with the County (often accomplished through a conservation easement) be recorded to ensure that the farm is preserved over the long-term.

The question could be raised: ‘why would a farmer want to restrict his own land from development potential?’ There are several potential reasons. Members of a Farmland Preservation Program will have increased protection from nuisance suits and other negative impacts on participating farms. As part of the Program, public hearings will be required on proposed land condemnation by State or local public agencies for public facilities such as water and sewer service. Landowners in certified districts will not be required to connect to water and/or sewer systems nor to be assessed water and sewer charges until that property is connected to such services.

The Farmland Preservation Program members will be subject to a conservation agreement between the County and the landowner that prohibits non-farm use or development of that land for a period of at least 10 years. The conservation agreement, however, will allow the development of up to three lots on participating farms included in a District. A landowner in the Farmland Preservation Program may at any time remove all or a portion of his/her land from the Farmland Preservation Program by giving written notice to the Agricultural Advisory Board. If a portion of the land is removed from the program, the remaining land must meet the program conditions and qualification for the farm to continue in the program.

OTHER ISSUES

Because this preservation tool is entirely voluntary, there appears to be few, if any, concerns related to its implementation other than the reduction of local property tax revenues by advertising farmland preservation options.

ACTION PLAN

1. Create an Open Space and Agriculture Advisory Board (also described in Strategy #5) to explore

all of the options included in this Report and come to a consensus on which of the options of this Report, if any, are truly workable. Generally, conservation easements and voluntary farmland preservation work best when the following circumstances are present:

- A. The landowner is motivated by the concern to conserve and preserve the land;
 - B. The land does not require intensive management;
 - C. The current and future uses of the land by the owner are compatible with preservation of its natural features; and
 - D. The owner can use the tax advantages (see next action item) of an income tax deduction, tax credit and/or the reduction in the tax value of his or her property and the potential reduction in estate taxes.
2. Educate the County's active farmers and large land owners about the significant benefits of establishing *permanent conservation easements* for the purpose of preserving farmland and other natural resources. These easements would need to serve a public benefit: public access to public waters, public access to public trails, fish and wildlife conservation, or other similar land conservation purposes (farmland usually qualifies). To qualify for the substantial State tax incentive, there must be 1) a qualified recipient of the easement (e.g., land trust, local or State government) and 2) a certification by the State that the land meets the required public benefits. *Note: land required by the County to be held in open space (see Open Space Development techniques in Strategy #1) are usually not eligible for State tax credits.* The County's Cooperative Extension Service and the Planning Department should establish an ongoing education program to spread information about the benefits of conservation easements. This education process can include web pages, brochures, public forums and educational classes. Through this process, the following tax benefits should be advertised:
- ▶ *State Income Tax Incentives.* In North Carolina, a dollar for dollar tax credit is offered for preserving farmland (and other public lands) equal to 25% of the fair market value up to a maximum of \$100,000 for individuals and \$500,000 for corporations. Any unused credit may be carried forward for five years. To qualify, one or more conservation benefits must be provided in perpetuity. Also, by donating land or establishing an easement, the value of an estate and property subject to State inheritance taxes will be lowered. This program began in 1983 with a \$5,000 credit available. This year, the credit was raised by the N.C. General Assembly from \$250,000 to \$500,000 for corporations.
 - ▶ *Federal Income Tax Incentives.* The Federal tax provisions related to land conservation

are not as attractive as the State's but nevertheless are a good incentive. Generally, the donation or establishment of conservation easements permit a deduction on the Federal income taxes (up to the maximum 30% of gross income established for charitable giving). The IRS may also permit such land dedications or easements to qualify as a gift and be exempt from estate taxes at the time of the taxpayer's death (subject to maximum permitted amounts).

- ▶ *Local Property Tax Reductions.* Establishing conservation easements or dedicating land will not remove the property from the tax rolls. However, such action will likely reduce the amount of property tax paid. North Carolina law requires County tax assessors to consider the actual value of property and the effects of enforceable restrictions on that value.

3. The County, through its Agricultural Extension Office, should consider the establishment of a Farmland Preservation Program under North Carolina General Statutes 106 Article 61; "Preservation of Farmland." Prior to adopting such a Program, the Advisory Board (described above and in Strategy #5) should first explore this program and try to gauge potential support and judge the benefits of such an approach. In order for farmland to qualify under this Article, it must be real property that:
 - A. Is participating in the farm present-use-value taxation program established by G.S. 105-277.2 through 105.277.7 or is otherwise determined by the County to meet all the qualifications of this program set forth in G.S. 105.277.3;
 - B. Is certified by the Soil Conservation Service of the United States Department of Agriculture as being a farm on which at least two-thirds of the land is composed of soils that (a) are best suited for providing food, seed, fiber, forage, timber, and oil seed crops, (b) have good soil qualities, (c) are favorable for all major crops common to the County where the land is located, (d) have a favorable growing season, and (e) receive the available moisture needed to produce high yields an average of eight out of ten years; or on which at least two-thirds of the land has been actively used in agricultural, horticultural or forestry operations as defined in G.S. 105.277.2(1), (2), and (3) during each of the five previous years, measured from the date on which the determination must be made as to whether the land in question qualifies;
 - C. Is managed in accordance with the Soil Conservation Service defined erosion control practices that are addressed to highly erodible land; and
 - D. Is the subject of a conservation agreement, as defined in G.S. 121-035, between the County

and the owner of such land that prohibits non-farm use or development of such land for a period of at least ten years, except for the creation of not more than three lots that meet applicable County zoning and subdivision regulations. Conservation easements will be similar to a declaration of covenants in a subdivision. It will contain a series of restrictions related to various uses of land such as a prohibition of any uses of the land but farming, ranching, timber production, public recreation or public education. The easement will be specific about the restrictions to be included.

Article 61 permits the establishment of voluntary “agricultural districts” and states that an ordinance adopted under this Article shall:

- A. Provide for the establishment of voluntary agricultural districts consisting initially of at least the number of contiguous acres of qualifying farmland or the number of qualifying farms deemed appropriate by the Open Space and Agriculture Advisory Board and ultimately by the Board of Commissioners. (These districts will typically be concentrated pockets of active farmland throughout the County);
- B. Provide for the formation of such districts upon the execution by the owners of the requisite acreage of an agreement (in the form of a recorded conservation easement) to sustain agriculture in the district;
- C. Ensure that the form of this agreement be reviewed and approved by an agricultural advisory board established under G.S. 106-739 or some other County board or official;
- D. Provide that each such district has a representative on the agricultural advisory board established under G.S. 106-739. The purpose of such agricultural districts is to increase identity and pride in the agricultural community and its way of life and to increase protection from nuisance suits and other negative impacts on properly managed farms. The County may take such action as it deems appropriate to encourage the formation of such districts and to further their purposes and objectives.

This farmland approach is entirely voluntary and therefore would be only an additional option in the larger growth management scheme. The tax incentives in North Carolina are significant (see above) and should be offered as a tool to the farming community. It would possibly work for the large farmer who does not intend to change the current use of his property. It is also a good estate planning tool when a farmer wishes to prevent the property from being sold for development purposes after he or she dies.

- 4) Through the residential development evaluation process described in Strategy #1, the County should strongly encourage development proposals on documented farmland to use the open space

development techniques (also described in Strategy #1). “Documented farmland” is that land which either is currently or has in the past participated in or is eligible for participation in the County’s present-use-value taxation program.

GROWTH STRATEGY 8: Park and Open Space Provisions

BACKGROUND

One of the most effective and simple ways to promote the preservation of open space is to require subdivision land set-asides for parks and/or open space. These land dedications are very common among jurisdictions in North Carolina as a means of preserving open space. This technique requires developers to set aside a percentage of the land in a project for certain uses. In most cases the land set aside is used for public parks and open space. In other cases environmentally sensitive land may be simply preserved in its natural state. Typically, the land requirement is met as an on-site improvement. In other words, if a percent of land in a residential subdivision is set aside for a park, the park is typically built on that site. As an option, ‘fees-in-lieu’ of the land dedication can be paid in place of a required land dedication. This type of fee, while similar in administration, should not be confused with impact fees which are mandatory.

Several years ago Catawba County had a subdivision open space requirement and had collected money for fees in-lieu of the land dedication. Ultimately the fees were all returned to the developers due to concerns over meeting the ‘rational nexus’ test (*Note: ‘rational nexus’ simply put, refers to the direct benefits received by owners of lots in the subdivision from the money the original developer paid in-lieu of on-site land dedication*). One of the difficulties in meeting the test was that, at the time, the County provided no public parks or recreation facilities and there was not an adopted park plan nor a systematic approach to using the funds generated from the developments.

The land dedication requirement, if reasonable - and designed in such a way as to provide public benefits and improvements to a development’s livability and marketability - are often relatively easy to implement. A small neighborhood park or passive open space can go a long way toward improving the quality of life in new residential developments. Common open space can benefit the resale value of individual homes.

When dealing with the collection of fees-in-lieu of land dedication several matters must be addressed in detail:

1. The fees must be linked to specific plans for future parks or recreation facilities,
2. Fees can only be spent on capital outlay items,
3. Fees must be uniformly applied to all developments or an equal valued on-site land dedication must occur,

4. No fee may exceed the cost of providing the additional facility,
5. Fees for each separate facility must be placed in a separate trust fund,
6. All reserves must be spent on the facility for which they were collected,
7. Fees must be spent within six years for a County facility and within ten years for a jointly-owned facility.
8. The total of potentially collectible facility fees cannot exceed the costs of the new facility.

OTHER ISSUES

Sometimes, the on-site land dedication is too small to effectively be used for any real public purpose. Furthermore, developers may not question setting aside open space but are typically leery of installing playground and other recreation equipment. Maintenance is typically the responsibility of a future homeowner's association which can sometimes be difficult to deal with.

Administering the fees-in-lieu of land dedications can be cumbersome and must be initiated with some detailed guidelines established prior to collecting any funds.

ACTION PLAN

1. Prepare a Parks & Recreation Master Plan that, in addition to being a good fiscal planning tool, will be the basis for collecting and expending fees offered in-lieu of land dedications. The Plan must contain:
 - (a) a description of anticipated capital costs to the County of each additional or expanded park or recreation facility caused by new construction;
 - (b) a description of the relevant characteristics of new construction (e.g., large number of homes for families with children) that gives rise to the need for additional or expanded parks or recreation facilities (i.e., increased population);
 - (c) a detailed plan for providing one or more of the parks or recreation facilities;
 - (d) an assessment of the projected impacts of new development on current parks and recreation facilities;

- (e) a definition of facility service areas which serve to relate development impact to a given facility; and
 - (f) a reasonable, targeted level of service for parks facilities.
2. Establish appropriate policies and procedures for collection and administration of fees and for future expenditures.
 3. Determine the amount of on-site land dedication that will be required as an alternative to facility fees (sliding scale, percentage basis, etc.).
 4. Amend the Subdivision and Zoning Ordinances to provide for land dedication requirements, fee structure and procedures.

Notes:

1) Fees collected in-lieu of land dedications can help pay for new or expanded parks and recreation facilities. However, as described earlier, the fees cannot be used for operation and maintenance of such facilities. Clearly all capital, operating and maintenance costs cannot be supported exclusively from user fees. However, the goal should be for limited user fees to supplement the general fund expenditures for certain parks and recreation activities such as boat launching and horseback riding.

2) The required open space should be dedicated as public and indicated on recorded plats as such. However, the County should judge on a case-by-case basis (in adherence to the Parks and Recreation Master Plan) which public land dedications to accept for implementation of the Master Plan. For example, a land dedication that is a link to a greenway system might need to be accepted by the County. Certain River/lake access properties may be another example of land that could be accepted as publicly dedicated land.

3) The Open Space Developments described in Strategy #1 could be exempt from the open space requirements described in this Strategy. This would be determined on a case-by-case basis by the Board of Commissioners during the review process.

GROWTH STRATEGY 9: Revised Capital Improvement Program

BACKGROUND

Many of the strategies recommended in this Report will be less effective and potentially problematic without being accompanied by a comprehensive Capital Improvement Program (CIP). For the local government, the CIP is an invaluable long-term budgeting and planning tool. For the development community, the CIP is intended to provide some level of certainty of future public improvements. A capital improvement is often defined as "a permanent addition to the County's fixed assets of major importance and cost." Under this definition, a capital improvement could include land acquisition, construction, reconstruction, renovation, demolition, equipment, and studies necessary to perform the actual project. A capital improvement should possess the following characteristics:

- It serves an essential public purpose.
- It has a long, useful life or significantly extends the useful life of an existing fixed asset.
- It is comparatively expensive and is not of routine nature.
- It is fixed in place or stationary.
- It is related to government functions and expenditures.
- It is related to a usual responsibility of the local government (the County).

Each of the County's three school districts already have 10 year facility plans in place. These are updated as demand and need arises.

OTHER ISSUES

The effective CIP requires a lot of up front time and energy to establish thresholds, determine deficiencies and determine funding sources. However, there is virtually no other downside to this crucial planning tool.

ACTION PLAN

- 1) The Planning Board should be trained and procedures established that permit this Board to serve in an advisory capacity to the County Manager and the Board of Commissioners regarding capital improvement planning. Ideally, the members of the Planning Board should represent a cross section of the County but should certainly include representatives with a background in construction, architecture, accounting, engineering and land preparation (this type of representation may take some time to achieve). The Planning Board's primary function in the process should be to solicit citizen input and make recommendations regarding the County-wide

Capital Improvements Program. The Planning Board will hold a public hearing beginning in October of each year. This hearing will provide citizens with an opportunity to express their opinions, concerns and project requests regarding the forthcoming Capital Improvement Program. The Planning Board will finish each year by submitting their five-year Capital Improvements Program recommendations to the County Manager.

Charging the Planning Board with this task and making the capital improvement process very open and public is crucially important. Many of the strategies included in this Report refer to, and rely on, a formal Capital Improvement Program in decision making on growth-related issues. For this reason, having an open CIP process is a key to a successful partnership between the citizens, development community, the County and the three School systems.

- 2) Begin a process facilitating a formal Capital Improvement Program (CIP). This new program would involve a more in-depth, department level examination of current needs, future needs and revenue sources to pay for those needs. The Program should ideally be five (5) years in duration. A good CIP is not subject to year-to-year political wheeling and dealing; however, it should be monitored and evaluated yearly, ideally prior to the annual budget time. One of the first, and most difficult, steps in the CIP process is to establish minimum thresholds or performance measures for things like EMS and Sheriff response times and library capacities.

The Capital Improvement Program needs to include the following components:

- ▶ an inventory of existing public properties and those needed for future projects;
- ▶ a five-year scope and duration;
- ▶ an inclusion of all County capital expenditures (including a separate School section furnished by the three school systems) to eliminate the somewhat fragmented nature of the current process (*note: it is important to include school plans to offer options for joint capital project planning such as for parks*);
- ▶ an inventory of public facilities and their service areas, capacities and operational condition;
- ▶ a predetermined “level-of-service” for services and facilities (starting by answering the question: “what is the minimum service level the public is willing to accept?” and ending with the question: “what is the appropriate level of service for a given function?”);
- ▶ an evaluation of needed improvements to meet the levels of service; and
- ▶ an overall financing plan including funding options and timing considerations.

The distribution of instructions for the five-year Capital Improvement Program should formally initiate the annual CIP process for the County. This distribution occurs in June, shortly before the start of the fiscal year. Each department receives a copy of the instructions and has 60 days

to submit a capital request to the County Manager. The following table outlines the procedures for the proposed CIP process.

Projects included in the departmental requests are generated by a variety of means. Generally, they come about due to an analysis of the County's present and future needs. Each department submits its request in priority order and provides cost estimates for plans, land acquisition, construction and other elements of each project. Descriptions of the projects are also provided. In addition, the departments propose a schedule of when each project should ideally begin and when it should be completed. All of this information is compiled and reviewed by the County Manager and the Finance Director and presented to the Planning Board. In October, the Planning Board holds a public hearing on the proposed requests. This hearing provides citizens with an opportunity to express their opinions, concerns and even project requests regarding the forthcoming capital improvement plan. Information obtained from the hearing should play an important role in deliberations of the Planning Board.

After the hearings are concluded, the Planning Board begins its deliberations to narrow down their recommendations for a five-year capital program. This concludes in November and the final recommendations are given to the County Manager and the Board of Commissioners. The Finance Department will provide the Planning Board with guidance and technical advice through this process.

Although the Planning Board's formal role usually will conclude by November, the County Manager and staff continue to make necessary adjustments to the program as part of the procedures involved in developing the annual budget. Adjustments can be made based on the feedback received from various interested parties. The County Manager's final capital improvements recommendation is then submitted as part of the proposed budget to the Board of Commissioners.

The Board of Commissioners reviews the capital recommendations as part of its deliberations on the entire current year budget. A public hearing is held during this time at which interested citizens may express their viewpoints on the submitted capital requests and other items contained in the total budget. The CIP is finalized at the time the Board of Commissioners adopts a budget for the new fiscal year, which takes place in May. Within a month of the Board of Commissioner's adoption of the budget for the new fiscal year, the process of developing a Capital Improvement Program for the next fiscal year begins again.

Recommended Schedule of Tasks for a Capital Improvement Program	
Month	Task/Responsibility
Early June	Capital Improvement process begins. Departments compile project requests.
Early August	County Manager and Finance Department review of Departmental Capital Improvement requests begins.
Mid September	Finance Department presents capital requests to the Planning Board
October	Planning Board holds a public hearing to solicit input on proposed capital project requests
November	Finance Department presents draft CIP recommendations to the Planning Board and to the County Manager; Planning Board reviews, develops and forwards recommendations to the County Manager
January/February	County Manager reviews Planning Board recommendations, makes adjustments, and with the Finance Director, develops the final CIP to be presented to the Board of Commissioners.
Mid May	Review and adoption of CIP by Board of Commissioners

GROWTH STRATEGY 10: Aggressive Right-of-Way Purchases

BACKGROUND

In recent months, the N.C. Department of Transportation, has made it clear that the state-wide transportation planning process will now be an accurate and realistic one. NCDOT officials have indicated that prior Transportation Improvement Programs (TIPs) have not adequately accounted for such things as inflation and, in reality, there have been far too many projects planned for than there was money available to build them. This new “realistic and accurate TIP” philosophy is evident in the significant delay that has been announced for the Highway 16 project. With such delays in place, it has become more evident that local government participation in State road projects becomes more important.

Several years ago, the N.C. General Assembly gave Catawba County the authority to assist in thoroughfare plan implementation. The County may expend funds and exercise the power of eminent domain for the purpose of acquiring land or rights-of-way for thoroughfare construction and improvement projects. These projects must be included in one of the following documents:

- 1) A North Carolina Department of Transportation (NCDOT) annual construction program;
- 2) A multi-year Transportation Improvement Program (TIP);
- 3) A roadway corridor official map adopted by the N.C. Board of Transportation or a municipal governing board;
- 4) A comprehensive street system plan, collector street plan or thoroughfare plan adopted by local governments or their planning agencies; or
- 5) A transportation improvement plan adopted by a Metropolitan Planning Organization.

The County may accept donations and dedications of land or rights-of-way for the thoroughfare construction and improvements included in the official plans and programs listed above. Furthermore, the County is also authorized to enter into a contract with one of its municipalities in order to provide funding assistance for the purpose of acquiring land or rights-of-way.

This ability to acquire land for road improvements could be used to help speed along the road improvement process. For instance, the County could help in the acquisition of rights-of-way to shorten (and reduce expenses for) that part of the process performed by the NCDOT. The County could also consider the pursuit of obtaining needed land for the addition of bicycle and sidewalk improvements for

projects under consideration by the NCDOT.

This type of program offers the ability to: 1) preserve land in predetermined road corridors from intrusive development; 2) expedite road projects; 3) facilitate better roads being built (sidewalks, street trees, etc.); and/or 4) help dictate the ultimate location of new roads and highways. The key in any right-of-way protection program is to have extensive, detailed thoroughfare and collector street plans in place prior to implementation.

OTHER ISSUES

In North Carolina, participation in road building is typically the responsibility of the NC DOT and/or municipalities and is usually not a county function. Local funding for such improvements could be criticized by the public as an inappropriate use of County funds.

ACTION PLAN

The County should identify roadways that could benefit from County support in right-of-way purchases. Certainly assistance in right-of-way purchases for the following highway segments could significantly accelerate the ultimate road improvement or road construction process: (1) Highway 16, (2) Highway 127 South, and (3) Highway 150. In the implementation of this Strategy, close coordination with the Hickory Urban Area MPO and the N.C. Department of Transportation should be ensured.

The three road segments described above are certainly those roadways that are at, or over, design capacity and under pressure for improvements. Highway 16 is the only one of the three improvements on the State's seven-year Transportation Improvement Plan that has construction money funded. The rewrite of the County Thoroughfare Plan (see Strategy #11) may identify other deficient road segments where County financial participation may accelerate road improvements.

Until the new County Thoroughfare Plan is completed, this strategy should be implemented only on a limited basis.

GROWTH STRATEGY 11: Re-Write the County Thoroughfare Plan

BACKGROUND

There are currently three separate thoroughfare plans that have jurisdiction in Catawba County; 1) the Hickory-Newton-Conover Urban Area Thoroughfare Plan (the Metropolitan Planning Organization's Plan prepared jointly by the local MPO and the NCDOT), 2) the Catawba County Thoroughfare Plan (mostly prepared by the NCDOT) and 3) the Maiden Thoroughfare Plan (mostly prepared by the NCDOT). For the purpose of this Strategy, the Maiden Thoroughfare Plan is not examined as it is a very focused, municipal plan with little regional significance.

Both the MPO Plan and the County Plan cover separate areas, with no geographic overlap. Each plan deals with areas of high growth. However, there are some major differences between the two documents and the scope of information that is detailed. The MPO Plan includes approximately 247 square miles, stretching from Catawba County into portions of Burke, Alexander, and Caldwell. It covers six municipalities in Catawba County; Hickory, Newton, Conover, Long View, Brookford, and Claremont. The only Catawba County towns not included in the scope of the MPO Plan are Maiden and Catawba. This MPO Plan is geared primarily toward the municipal areas of the County. However, more rural districts such as Oxford are also included.

Overall, the MPO Plan is significantly more comprehensive than the County Thoroughfare Plan. Not only is the Urban Area Plan more up-to-date, it includes and provides implementation strategies for non-traditional needs such as bikeways, sidewalks, greenways, and mass transit. Also, the MPO Plan gives historical and projected traffic counts and potential deficiencies through the year 2020, a period of time when the County will experience a steady increase in traffic and population.

The Catawba County Plan has jurisdiction over the remaining portion of the County. This Plan's study area lies south of Newton and Hickory, and includes the areas around Lake Norman and the Jacob's Fork River (see corresponding map). The Plan is responsible for some of the highest growth areas in the County (Lake Norman, Sherrills Ford, the lower 321 Corridor, parts of southwestern Catawba County). These are areas, especially around Lake Norman, that will likely experience significant traffic circulation problems as development continues.

Although much of the growth occurring in the County is outside of municipal boundaries only the most fundamental needs and recommendations have been discussed in the Catawba County Thoroughfare Plan. The need for sidewalks, scenic byways, pedestrian facilities, greenways, as well as other non-traditional transportation issues are apparent for these high growth areas such as the Lake Norman area. As more people migrate into these areas, the need for these types of transportation alternatives will

become more and more apparent.

OTHER ISSUES

There are no readily apparent negative consequences to pursuing this strategy.

ACTION PLAN

The County should request assistance from the N.C. Department of Transportation or other qualifying agency in the preparation of a new, comprehensive Thoroughfare Plan to closely correspond and agree with the recently adopted MPO Urban Area Thoroughfare Plan. This new County Plan should include an examination and recommendation of non-traditional transportation components including trails, greenways and sidewalks, bicycles and a transit. Upon completion of the new County Plan, the current Catawba County Thoroughfare Plan should be repealed.

Considering the urbanizing nature of much of the County, it would be beneficial to combine the two thoroughfare plans. With the completion of the new US 321, the impending construction of NC 16, and the increasingly suburban nature of the area, the County is becoming more and more urban in character. Therefore, the need for coordination is very apparent. Unfortunately there are limitations in DOT funding for planning outside of the MPO urban areas. There are also limits to expanding the MPO Urban Area boundaries.

GROWTH STRATEGY 12: District, Small Area and Corridor Planning

BACKGROUND

A simple, but time consuming approach to promoting a higher quality-of-life in the County is to prepare a series of detailed district plans encompassing most of the unincorporated land in the County. These district plans would explore general development patterns and trends and evaluate public service/facility deficiencies needing attention. The plans would be a further extension of VisionQuest and this Plan. Also included with such district plans would be grassroots, small area land use plans throughout the County (see corresponding map). These small area plans, would be much smaller in scope and geographic area than district plans (e.g., the US 321 Corridor District Plan). The small area plans should include conceptual sketch plans based upon appropriate land use and zoning concepts and be used for consideration of future zoning changes and subdivision standards.

There are also four corridors that are experiencing or could soon experience significant new development pressures: Highway 16 South, Highway 16 North (especially around Conover and Riverbend Park), Highway 150 (Lake Norman) and Highway 127 (Mtn. View). These are corridors that have heavy influences from Hickory, Newton, Conover and/or Lake Norman but are largely outside municipal ETJs and therefore lack any specific development direction. Preparing corridor plans similar to the US 321 Corridor District Plan (but much more focused) can help to alleviate some of the uncertainty surrounding the future of these highways. Corridor planning should be tied closely to district and small area planning. In fact what occurs with this approach is a “spokes and wheels” pattern of planning.

ACTION PLAN

1. The following areas should have district plans prepared (in order of priority):
 - A. Southeast District Plan (Lake Norman, Sherrills Ford, Terrell)
 - ▶ Terrell Small Area Plan
 - B. North Central District Plan (Clines, north and west of Conover)
 - ▶ North Conover Small Area Plan (cooperation with Conover)
 - C. Northeast District Plan (Oxford area and Riverbend Park)

- ▶ Riverbend Park Small Area Plan
- D. St. Stephens District Plan
- E. South Hickory District Plan (part of Mtn. View, part of 321 Freeway)
 - ▶ Mountain View Small Area Plan
- F. East Central District Plan (south of Claremont, Murray's Mill area)
 - ▶ Murray's Mill Small Area Plan
 - ▶ Balls Creek Small Area Plan
- G. South (east of Maiden and southwestern side of Highway 16)
 - ▶ Anderson Mountain Small Area Plan
- H. South Central (west of Maiden, part of 321 Freeway)
- I. Southwest (part of Mtn. View, Jacobs Fork Area)
 - ▶ Propst Crossroads Small Area Plan
 - ▶ Bakers Mountain Small Area Plan
- 2. Prepare and implement several Corridor Plans (similar, but likely not as extensive as the 321 Corridor Plan) beginning with Hwy 16 South. Work on such planning projects should include a substantial coordination with municipalities and adjacent counties where appropriate.
 - A. Highway 16 South (possible joint effort with City of Newton and Lincoln County)
 - B. Highway 150 (possible joint effort with Iredell and Lincoln Counties)
 - C. Highway 16 North (possible joint effort with the City of Conover and Alexander County)
 - D. Highway 127 South (joint effort with City of Hickory)

GROWTH STRATEGY 13: Obtain a Local Option Sales Tax

BACKGROUND

The pressures of meeting the increasing demands for public services have continued to mount in Catawba County. Several alternative funding tools have been explored in this Report, including: 1) land transfer taxes, 2) impact fees, 3) local income taxes, and 4) raising property taxes. Certainly raising property taxes is the least complicated, most straightforward method for generating local public revenues. However, despite their ease in administration, property taxes have some shortcomings. They target a single (albeit the largest) sector of the community: the property owner. There has been a significant effort by the Board of Commissioners to refrain from raising property taxes. Each of the other alternative revenue sources were eliminated as recommended strategies at this time.

However the local option sales tax was considered to be a viable secondary revenue source and was endorsed by the Catawba County Planning Board. It is therefore included as a growth strategy. Under this strategy, the local option sales tax would be raised by an additional 1 cent charged to all sales occurring in Catawba County (if granted by the State Legislature). The estimated \$9 million revenue stream the sales tax would generate would represent approximately one-quarter of the current property tax levy. If unrestricted, the municipalities would also receive a significant amount of revenue from the tax.

There are several reasons why sales taxes are preferred over raising income taxes. There are several benefits this revenue stream would bring to Catawba County. These are described below.

- ▶ The additional 1 cent local sales tax would likely prevent property tax increases for several years. To raise the estimated \$9 million that would be generated from the sales tax increase, the property tax would need to be increased \$0.12 per \$100 value of property (a 22% increase). In most jurisdictions, this would likely be considered an unreasonable increase.
- ▶ The sales tax would spread the tax burden to a greater extent beyond property owners: to commuters, temporary residents, illegal immigrants and renters (although many argue that renters pay property tax through the property owner). It would benefit all local government units in Catawba County unless the General Assembly designated a specific use (like schools) for the additional revenue.
- ▶ Sales taxes are consumption based, and therefore spread more to those who buy more (and are assumed to have more wealth). Sales taxes are also paid incrementally over time therefore are often less burdensome as the lump sum property tax payment.

- ▶ Perhaps the greatest benefit to residents of Catawba County could be found in the potential improvement in the overall quality of life that could be ushered in through increased public revenues. It has been estimated that the 1999-2000 County budget may require a 5% (\$0.03 on the tax rate) increase to cover basic increased expenditures from new service and facility demands. The 5% increase would generate approximately \$2.2 million. Unless the sales tax revenues are restricted, the additional revenue could be used for other growth-related needs such as school capital needs, utility service extensions; purchase and lease of development rights; purchase or lease of historic properties; purchase of road rights-of-way for major highway improvements; economic development expenditures (incentives, business park development); and current school expenditure improvements.

OTHER ISSUES

Obtaining the authorization to collect sales taxes would take one to three years to become a reality because it requires permission from the NC General Assembly and would likely require voter approval. The General Assembly has historically been very conservative when considering local option sales tax increases. Unlike property taxes, sales taxes are not deductible on Federal/State income tax. Furthermore, some consider it a regressive tax that hurts the poor the most.

There are currently a number of counties planning for formal requests for approval from the General Assembly. It is likely that the legislature will look at the big picture when deciding whether or not to grant any permitted increases.

ACTION PLAN

1. Continue to lobby the N.C. General Assembly for the passage of legislation to authorize the collection of an additional one-cent local option sales tax in Catawba County.
2. If the sales tax authorization is granted, a detailed study should be prepared that analyzes the needed expenditures and the additional revenues expected. In addition to the needed expenditures for improvements to school facilities, libraries and emergency services, such a study could explore funding for such non-traditional initiatives such as purchasing (or leasing) development rights for farmland and historic sites. These are both non-traditional expenditures but viable options for preserving quality of life.

GROWTH STRATEGY 14: Protection of Scenic Byways

BACKGROUND

For much of the general public, perception of Catawba County is formulated by looking through the windows of an automobile. Pleasing views from the road can be mountain ridgelines, rolling hills, farm fields, trees lined close to the road forming a natural tunnel, thick wooded areas close or far from the road's edge. Roadside land is very easy (and less expensive) to develop than is interior land. For this reason, protection of certain sensitive roadways is very important to preserving the rural and scenic quality of Catawba County.

The Inter-modal Surface Transportation Efficiency Act (ISTEA) of 1991 established a National Scenic Byways Program for the purpose of protecting the historic and scenic values of the highway environment. These roads are typically less traveled than other thoroughfares and offer access to cultural sites, outdoor dramas, aquariums, museums, and State Parks across the State. These routes are designated based on natural, cultural, and historic features and are generally passageways in which little or no development has occurred. These byways are also useful as alternative transportation routes that offer a safe, interesting passage and are intended to be an option to the State's heavily traveled interstates and major highways.

The North Carolina Department of Transportation has designated forty-four roadway segments as scenic byways across the State in efforts to help highlight and promote unique areas of interest and natural beauty. Sixteen of these byways are found in the Piedmont, sixteen in the mountain region, and twelve in the coastal plain. Some of the byways found in nearby counties are: Black Mountain Rag (Buncombe, Rutherford, and Henderson counties); South Mountain Scenery (Rutherford, Cleveland, and McDowell); Mission Crossing (Avery and Watauga); Little Parkway (Avery, Caldwell, and Watauga); and Upper Yadkin Way (Caldwell and Wilkes).

Three of the primary criteria for the establishment of Scenic Byways are as follows:

- The route under consideration must have significant visible natural or cultural features along its borders. These include agricultural lands, historic sites, vistas or marshes, shorelines, forests with mature trees or other areas of significant vegetation, or notable geologic or other natural features. Singly, or in combination, these features set this route apart from others as being distinct;
- Development along the proposed Scenic Byway shall not detract from the scenic natural character and visual quality of the routed area; and

- Preference will be given to those corridors with land use controls to reasonably protect the aesthetic or cultural value of the Scenic Byway.

The North Carolina Department of Transportation distributes a free NC Scenic Byways information and route book which details each byway in the State. Each route is outlined in the guide book, including the distance and probable travel time, alternative routes, attractions, and directions. Once on the road, scenic byways are easily identified by a universal sign depicting its designation.

A scenic byway designation, with appropriate local land use controls, would help Catawba County preserve natural, cultural, and historic sites such as Murray's Mill, Bunker Hill Covered Bridge, the Catawba River and its impoundments, the Town of Catawba, and rural areas which have not yet succumbed to development. By obtaining a scenic byway designation, no new outdoor advertising signs are permitted. *This is the only type of State restriction related to the classification although the local government is encouraged to preserve the byway with additional regulations.* In order to maximize protection efforts, the County may want to consider implementing conservation zoning districts or overlay zones. This could prove beneficial, especially if these controls are in place when, and if, the County applies for the program.

OTHER ISSUES

In rural areas, where little large-scale economic development is projected for a number of years, there appears to be few significant concerns with this approach to rural conservation. Unlike urban areas, rural areas tend to lend themselves to creative development patterns with little financial impact on the individual land owner. However, there are always concerns about additional regulations, especially in these areas where property owners are more sensitive to government involvement in land use and development.

ACTION PLAN

1. The County Planning Board, with input from the County Historical Association, should establish a list of roadways that would be good candidates for scenic and historic preservation. These roadways will likely be different than the corridors described in Strategy #12 which are much more developed or have development potential that makes them unlikely candidates for scenic corridor protection.
2. Amend the Zoning Ordinance to establish a Corridor Preservation Special District (Special District-6) that would have specialized land development standards intent on preserving scenic views along State-designated Scenic Byways (or other roads). The Special District might include such things as:

- A. Preservation of special features (stream crossings, unique rock outcroppings, significant vegetation, distinct entrances to crossroad communities),
 - B. Preservation of special views (prevent development from blocking or detracting from special views),
 - C. Strategic road/driveway placement (avoid building roadways in the middle of open pastures or fields),
 - D. Maintenance of wooded cover along roadsides (avoiding clear cutting).
 - E. Provisions to encourage joint driveways.
 - F. Setbacks and other dimensional requirements that are compatible with the current and historical development pattern.
3. After establishing the first part of this Strategy, application should be made for the State Scenic Byways designation. In order to apply for the State Scenic Byways designation, the County must first submit an application to the State to be placed on a study list. This application requires a description of the route, including the length, intrinsic quality, scenic quality, adopted land use controls, and any themes or stories associated with the route.
4. Once approved for the study list, a formal application must be prepared and submitted to the Roadside Environmental Unit of NCDOT. The Roadside Environmental Unit will review the application and, if deemed to have merit, will submit a report to the Board of Transportation. Once submitted, a public hearing may be requested. However, the final decision will be made by the Board of Transportation.

GROWTH STRATEGY 15: Historic Preservation

BACKGROUND

History is the one commodity (somewhat like open space) that can not be re-created. Once a 200-year old structure is gone, the 200 years of its history are only a memory. Catawba County has a rich history and the preservation of some of it is a very important quality of life issue. Without pro-actively addressing this matter, many historic properties may be destroyed because there will continue to be a lack of incentives to the property owners to keep the structures intact.

As described in the Current Conditions Report and in VisionQuest 2010, there are more than 600 sites that are candidates for inclusion on the National Register of Historic Places. Inclusion on the National Register is somewhat limited and more focused than local efforts. This is due to the structures having to be recommended to the U.S. Department of Interior by the State historic preservation officer with Federal approvals being required. There are now 31 properties on the National Register in Catawba County. There are certainly some additional properties that should be included on the Register. Local efforts for inclusion should continually be pursued. In addition to the National Register, there are eight established historic districts in the County, with four being in the unincorporated portions of the County (Yoders Mill, Murrays Mill, Terrell, and Bandys Farm).

National Register sites and historic districts are very positive tools in protecting these valuable resources. However, a more effective and far reaching tool for historic preservation would be the establishment of a local Historic Preservation Commission by the Catawba County Board of Commissioners. The Historic Preservation Commission would be charged with identifying and recommending properties appropriate for historic preservation. These properties must be of special historic, cultural architectural significance (or importance). They must also “possess integrity of design, setting, workmanship, materials, feeling and/or association.”

By establishing an Historic Preservation Commission, protection can be offered to many of the 600 or so properties eligible for inclusion on the National Historic Register. The inclusion on the National Register is voluntary (assistance can be provided by the Catawba County Historical Association). Under State law, without an Historic Preservation Commission, no historic site can be certified as an “historic property” and be eligible for many of the tax exemptions, credits and deferrals provided for by law.

Reasons for preserving historic properties are compelling but are often seen as a low priority due to the perceived limited public benefit. Reasons for protecting historic properties include maintaining symbols

of community pride and tangible links to the past. Similar to protecting open space, farmland or trees, historic properties provide for an enhanced quality of life. Significant local, State and Federal tax advantages are found in conjunction with preserving historic properties. At the local level, designated properties are taxed at half their true value as long as the property is designated as historic (if the designation is removed, the owner becomes liable for some limited back property taxes).

Tourism generated dollars can often be directly attributed to the existence of historic properties. The Bunker Hill Covered Bridge and Murrays Mill are two examples of attractions that bring tourists to Catawba County.

Property values can be maintained and often improved in areas where historic properties exist. Some of the more stable and rapidly increasing property values can be found in historic districts throughout the region and the Nation (e.g, Myers Park and Dilworth in Charlotte, downtown Hickory, parts of Charleston and Savannah).

OTHER ISSUES

Similar to farmland preservation, historic preservation is sometimes misunderstood. There is a wide range of approaches to historic preservation that can be explored and utilized. Most people would agree that one of the worst affects of growth on a community is its loss of what it once was (e.g, rolling hills, farmland, historic properties). However, in the case of historic properties, preventing their loss can be complicated, at times controversial and expensive. Often, passing an ordinance that designates a property as historic without the full agreement of the owner can be a difficult political decision. Despite the extremely attractive local tax benefits, having a property designated as historic will result in strict compliance to rules regarding alterations, additions, demolition, etc.

Ultimately, if an Historic Preservation Commission begins acquiring properties for preservation in the form of public ownership or lease, two major financial implications may result: 1) public expenditures to purchase/lease the property and 2) removal of the property from the tax rolls. With the designation of any property as historic, the owner's tax liability (and the County's revenue from the property) is cut in half. Other expenses that would need to be addressed would be preparation of a preservation plan and a property survey (although grant assistance is usually available) and the likely provision of County staff support to the commission. Proper procedure is paramount in dealing with historic property designation - therefore experienced staff support is usually necessary for an active board.

ACTION PLAN

It is recommended that aggressive measures be put into motion to protect some of these significantly important properties from their eventual demise at the hands of new growth and development. To begin a local historic preservation program, several steps need to be taken. The following is a general summary of the course of action to begin an historic preservation initiative.

1. The Board of Commissioners should pass an ordinance establishing an Historic Preservation Commission. *(Note: The Planning Board may serve as the Historic Preservation Commission provided that there are a majority of members who have demonstrated a special knowledge, interest or education in history or architecture. Optionally, the members of the current Catawba County Historical Association could serve on the Historic Preservation Commission; however, formal appointments, by the Board of Commissioners must be made.)* The Historic Preservation Commission is empowered to do several things: a) recommend to the Board of Commissioners that properties be designated by ordinance as historic; b) undertake an inventory and survey of historic properties; c) acquire or lease properties by lawful means; d) restore, preserve and operate historic properties; d) recommend to the Board of Commissioners that an historic designation be revoked or removed for a variety of reasons; and e) conduct educational programs.
2. Prepare an Historic Preservation Plan which includes a preliminary inventory of properties and a general survey of the historic landscape of the entire County. *(Note: Matching grants are often offered from the State to prepare such a plan. The Catawba County Historical Association likely has much of this information already compiled.)*
3. The Historic Commission adopts rules of procedure and guidelines for altering structures, issuance of Certificates of Appropriateness, moving, demolition, etc.
4. The Historic Preservation Commission prepares a detailed site-by-site inventory of those properties proposed for designation or acquisition.
5. Prior to passing any ordinance designating a property as historic, the Board of Commissioners and the Historic Preservation Commission must hold a joint public hearing.
6. Several required notifications must be made after a property is designated as historic.

GROWTH STRATEGY 16: Economic Development Approaches

BACKGROUND

Often economic development and growth management issues come together awkwardly. They sometimes are even contradictory. As a growth management tool, economic development plays two key roles. First, the location of major new business and industry often dictates where residential growth occurs. This is often due to demand created from utility expansions to serve the new industry or simply a marketing angle by the residential developer/realtor ('..close to shopping, restaurants and work'). Second, if there is strong local leadership committed to preserving and enhancing existing businesses and industries, infill development can be achieved and "leap frog" development can be reduced.

ACTION PLAN

1. Develop an economic development "master plan" for the County which includes the identification of available sites and existing and proposed infrastructure. Additional areas to explore include: marketing, tax incentives, financing tools, land assemblage, job training, and streamlined development approval processes. The Plan would also identify environmental regulations for the area and construct plans to comply. The Catawba County Economic Development Corporation is currently working on a Strategic Plan to address its goals as an organization and further refine the County's economic development goals.
2. The primary goals of economic development in Catawba County - in relation to growth management - should continue to be: (a) to help existing businesses succeed and ultimately expand, (b) to recruit diversified industries, and (c) to avoid economic development efforts outside of the Developed or Transition Areas described in other strategies in this Report.
3. Consider a multi-jurisdictional business/industrial park endeavor to promote development in a "master planned" economic area. Consider land preparation and possibly encourage privately built, speculative buildings on appropriate property with deferred leases. Residential, retail and service oriented components should not be overlooked as part of such a master planned development. Any such development should be built to a pedestrian scale that permits people to walk to work, school, etc. Such a development would be collectively developed by two or more local jurisdictions and revenues from the sale or lease of land and possibly certain other revenues (water, sewer, etc.) would be evenly split among participating jurisdictions. Because many of the municipalities are finding less and less land to develop non-residentially, annexation has become a primary economic development tool. This joint business park would be an alternative. Land in the 321 Corridor area or land along Highway 16 South would be prime

locations for development of such a venture.

4. Work with the State and County tourism officials to create a major tourist attraction on the Catawba River (boating, camping, working farm museum, equestrian center, etc.). Sites such as Murrays Mill, Riverbend Park, Bunker Hill Covered Bridge, a future Bakers Mountain recreation facility all can attract outside visitors and tourist dollars. A healthy tourism environment creates a well-rounded economy and has a spin off effect of encouraging other forms of economic development. This approach should be included in small area and corridor planning and should be a mandatory component of any corridor protection initiatives (Scenic Byways).